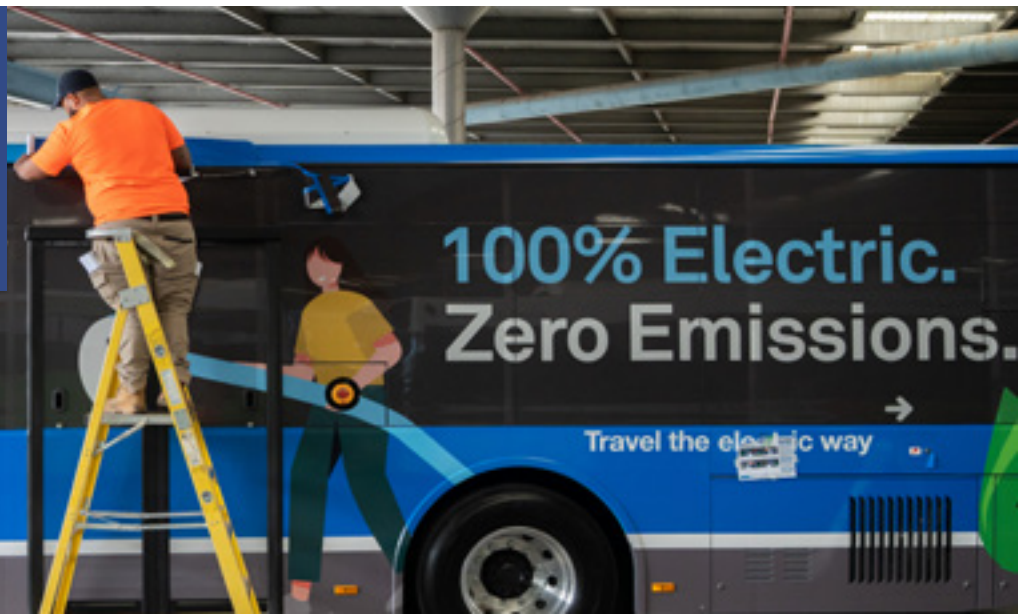




**ACT**  
Government



# Annual Report 2022–23

Transport Canberra and  
City Services Directorate



## Acknowledgement of Country

We wish to acknowledge the Traditional Owners of these lands and waters that we live and thrive on today. We pay our respect to the Ngunnawal and surrounding nations, and extend that respect to all Elders past, present and emerging for they hold the memories, the traditions, the cultures, and the hopes of all Aboriginal and Torres Strait Islander peoples across the nation. Through contributions of Aboriginal and Torres Strait Islander peoples, we have gained a better understanding and respect for their cultures which enrich our appreciation of Australia's cultural heritage that leads to reconciliation. This is essential to Australia's maturity as a nation, and fundamental to the development of Australia's united identity.

We also wish to acknowledge that this nation is and will always be Aboriginal and Torres Strait Islander land, recognising their living cultures, their strength, their resilience and their continued nurturing of these lands and waters for many thousands of years.

## Accessibility

Transport Canberra and City Services is committed to making its information accessible to as many people as possible. This report is available as a printed document, an accessible PDF and in HTML on our website at [https://www.cityservices.act.gov.au/about-us/annual\\_report](https://www.cityservices.act.gov.au/about-us/annual_report). If you have difficulty reading a standard print document and need alternative formats, if you are blind, deaf or hearing impaired, or if English is not your first language; you can get help from the following services:

Canberra Blind Society: **T** (02) 6247 4580

National Relay Service: **T** 13 36 77

Translating and Interpreting Service: **T** 13 14 50

## Further Information

For further information regarding the Transport Canberra and City Services Directorate Annual Report 2022-23 please contact the Governance and Ministerial Services Branch on (02) 6205 5187 or [TCCS.GBSGovernance@act.gov.au](mailto:TCCS.GBSGovernance@act.gov.au).

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# Compliance Statement

The Transport Canberra and City Services Directorate (TCCS) Annual Report must comply with the Annual Report Directions (the Directions) made under section 8 of the *Annual Reports (Government Agencies) Act 2004*. The Directions are found at the ACT Legislation Register: [www.legislation.act.gov.au](http://www.legislation.act.gov.au)

The Compliance Statement indicates the subsections, under the five Parts of the Directions, which are applicable to TCCS, and the location of information that satisfies these requirements.

## Part 1 - Directions Overview

The requirements under Part 1 of the Directions relate to the purpose, timing and distribution, and record keeping of Annual Reports. The TCCS Annual Report complies with all subsections of Part 1.

To meet Section 15 Feedback, Part 1 of the Directions, contact details for TCCS are provided on [page 2](#) of this Annual Report to give readers the opportunity to provide feedback.

## Part 2 - Agency Annual Report Requirements

The requirements within Part 2 of the Directions are mandatory for all Directorates and TCCS complies with all subsections. The information that satisfies the requirements of Part 2 is found in the TCCS Annual Report as follows:

- > Section A - Transmittal Certificate, see [page 11](#);
- > Section B - Organisational Overview and Performance, inclusive of all subsections, see from [page 13](#); and
- > Section C - Financial Management, inclusive of all subsections, see from [page 111](#).

## Part 3 - Reporting by Exception

TCCS has nil information to report by exception under Part 3 of the Directions for the 2022-23 reporting year.

## Part 4 - Annual Report Requirements for specific reporting entities

There is one agency-specific Annual Report requirement applicable to TCCS.

See Public Land Management Plans on [page 314](#).

## Part 5 - Whole of Government Annual Reporting

All subsections of Part 5 of the Directions, except for Legal Services Directions, apply to TCCS. Consistent with the Directions, the information satisfying these requirements is reported in the one place for all ACT Public Sector Directorates, as follows:

- > Bushfire Risk Management, see the [JACS Annual report](#);
- > Human Rights, see the [JACS Annual report](#); and
- > Territory Records see the [CMTEDD Annual Report](#).

ACT Public Service Directorate Annual Reports are found at the following web address:

[https://www.cmtedd.act.gov.au/open\\_government/report/annual\\_reports](https://www.cmtedd.act.gov.au/open_government/report/annual_reports)

## Part 6 - State of the Service report

TCCS provides information relating to public sector standards and workforce profile for the annual [State of the Service Report](#) via the timely completion of an agency survey coordinated by the Chief Minister, Treasury and Economic Development Directorate (CMTEDD) Workforce Capability and Governance Division.

# Foreword

I am pleased to present the Transport Canberra and City Services (TCCS) Directorate 2022-23 Annual Report, highlighting the wide variety of government services the Directorate provides to Canberrans every day of the year. TCCS also continues to serve our Ministers, Mr Chris Steel MLA, Minister for Transport and City Services and Ms Yvette Berry MLA, Minister for Sport and Recreation.

TCCS remains focused on delivering government services and public infrastructure safely and efficiently. We deliver our services on Ngunnawal land while also recognising other people or families with connection to the lands of the ACT region.

TCCS progressed its reconciliation journey during the reporting period by launching our new 2023-25 Cultural Integrity Framework with measurable outcomes aimed at retaining and attracting more Aboriginal and Torres Strait Islander people to careers with TCCS and empowering all staff to practice cultural integrity.

The reporting period saw TCCS meet ongoing challenges stemming from the COVID-19 pandemic, wet weather associated with the La Niña weather pattern, labour force shortages, and cost escalation within goods and services supplier markets. I am proud of the way our people have coped with these challenges to keep servicing our city.

Transport Canberra in 2022-23 continued to implement actions towards zero emissions by embedding 12 new leased electric buses and finalising procurement arrangements for an additional 94 new buses in the coming three years. Transport Canberra is also working with Evo Energy to upgrade associated charging infrastructure and constructing the first fully electric bus depot in Woden.

The future public transport passenger experience will be enhanced with the announcement in February 2023 of the provider of a new public transport ticketing system, called MyWay+.

I chaired the multi-agency Disruption Taskforce during the period and coordinated holistic strategies for communication and traffic management for disruptions caused primarily by the raising of London Circuit, Light Rail Stage 2A and other city-shaping projects. This work will continue in the coming year as further programs of construction work by the ACT Government, the Commonwealth Government and private developers progress.



*Alison Playford, Director-General of Transport Canberra and City Services*

Our City Services division kept our city's open spaces healthy, clean and green throughout the reporting period. High rainfall required an extraordinary effort by our mowing teams, who mowed over 26,000 hectares of public land over the peak growing season which lasted one month longer than normal. Additional funding for a ten-person rapid response mowing team allowed scheduled mowing activities to continue unabated. A real-time, online mowing map kept Canberrans informed. TCCS is pleased the team will be funded again in 2023-24.

The wet weather was also detrimental to our roads resulting in over 13,200 potholes being repaired in 2022-23 which was 5,400 more than the prior year. In December 2022, the government announced a significant boost in road maintenance funding over the next four years which will help TCCS respond to a changing climate, as well as heavier vehicles and a growing population.

We also delivered actions under the government's Urban Forest Strategy with 12,650 trees added to the landscape in 2022-23 while planning future planting sites and strategic approaches to achieving a 30 per cent canopy cover, absorbing greenhouse gas emissions and creating wildlife habitat. TCCS is also gearing-up for new tree protection requirements from 1 January 2024 under the *Urban Forest Act 2023*, which was passed by the ACT Legislative Assembly during the reporting period.

We consulted the community on the draft Active Travel Plan and a new draft best-practice design guide for Canberra's streets and intersections; both of which will be finalised in 2023. We have continued work and will deliver a new Multimodal Network Plan in the upcoming reporting period, which will further enhance the integration of active travel and public transport into our transport system.

We delivered many projects, including intersection upgrades and support for active travel initiatives, including completion of the Belconnen Bikeway Stage 2 project, and further upgrades to Beltana Road in Pialligo. The alignment and concept design for the Garden City Cycle route was finalised to support delivery of construction in following years.

A number of major infrastructure projects were completed with two sections of the Gundaroo Drive duplication completed (Baldwin Drive to Ginninderra and Barton Highway to Chuculba Crescent) as well as signalisation of the Dumas Street intersection. Road works supporting East Gungahlin High School and Kent and Novar Street intersection upgrades were also completed, both of which support land release and future development, and a contract was awarded for delivery of the final section of John Gorton Drive including the new bridge over the Molonglo River.

The Road Safety team facilitated the tabling of the Road Safety Legislation Amendment Bill 2022 which will see stronger consequences for dangerous driving. The ACT endorsed the National Road Safety Action Plan 2023-2025 through the Infrastructure and Transport Ministers' Meeting. Road safety was also enhanced by three new mobile device detection cameras and two new fixed cameras installed and undergoing testing on Hindmarsh and Gungahlin Drives.

Resource recovery and waste management remained a major focus with ACT NoWaste releasing the tender documentation for the Territory's household waste, recycling, green waste and a bulky waste collection contracts. These major procurements will provide more secure local jobs, begins the transition to zero emissions collection vehicles and also provides for a future FOGO collection. The new waste management contracts will play an important role in achieving the ACT's overarching commitment to a Circular Economy, with consultation on a new Circular Economy Strategy concluding in April 2023. ACT NoWaste also ushered-in new tranches of bans on problematic single-use plastics, including plates and bowls, loose fill polystyrene packaging and microbeads, which are banned from 1 July 2023 with boutique plastic bags banned from 1 January 2024.

I was also very proud of the ACT NoWaste team and our contractors as they responded to the devastating fire at the Hume Material Recovery Facility on Boxing Day 2022 and maintained household recycling services.

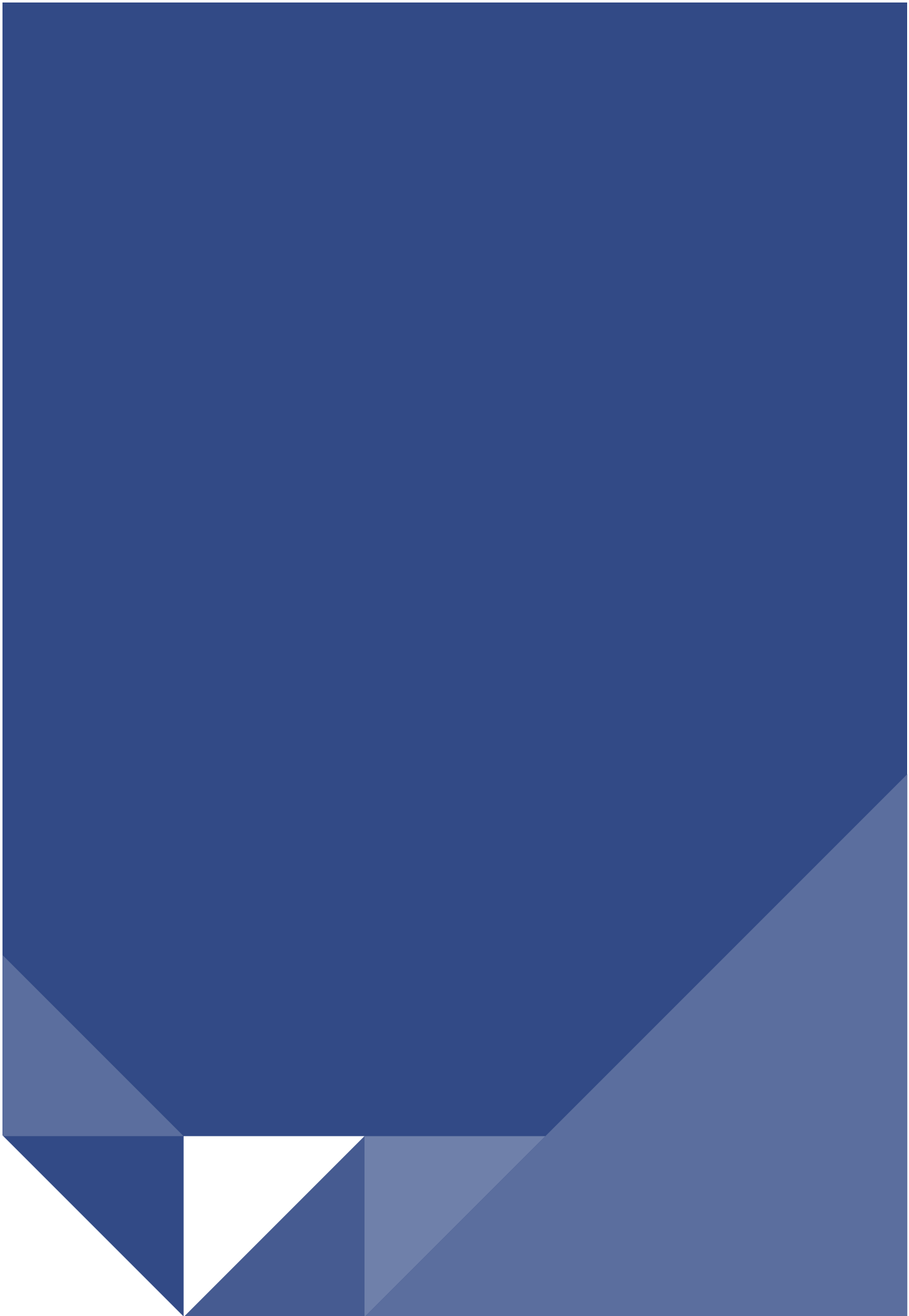
Domestic Animal Services cared for the ACT's animals and introduced cat registration with 15,000 cats registered by 30 June 2023, while Libraries ACT continued to provide a 21st century service to over 210,000 library members. We also saw Birrigai Outdoor School transfer from TCCS to the Education Directorate in January 2023.

In the year to come, TCCS will focus on delivering active travel investments to further enhance Canberra's famous walking and cycling network. We will provide significant enhancements to our roads to facilitate land release, while further enhancing Canberra's public open spaces with more tree planting, sports ground upgrades and rapid response mowing services. We will also advance the ACT's zero emissions journey by commissioning new electric buses and associated electricity grid upgrades.

In closing, I wish to express my thanks to the more than 2,000 team members who continued to implement our strategic priorities and services with dedication and a clear desire to make Canberra a great place to live throughout the 2022-23 reporting period.

Alison Playford

Director-General



# Part 2A

Transmittal  
Certificate

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# Transmittal Certificate



**ACT**  
Government

Transport Canberra  
and City Services

Mr Chris Steel MLA  
Minister for Transport and City Services  
ACT Legislative Assembly  
London Circuit  
CANBERRA CITY ACT 2601

Dear Minister

## **2022-23 Transport Canberra and City Services Annual Report**

This report has been prepared in accordance with section 6 of the *Annual Reports (Government Agencies) Act 2004* and in accordance with the requirements under the *Annual Reports (Government Agencies) Directions 2023*.

I certify that the information in the attached report and information provided for Whole of Government reporting is an honest and accurate account and that all material information on the operations of Transport Canberra and City Services has been included for the period 1 July 2022 to 30 June 2023.

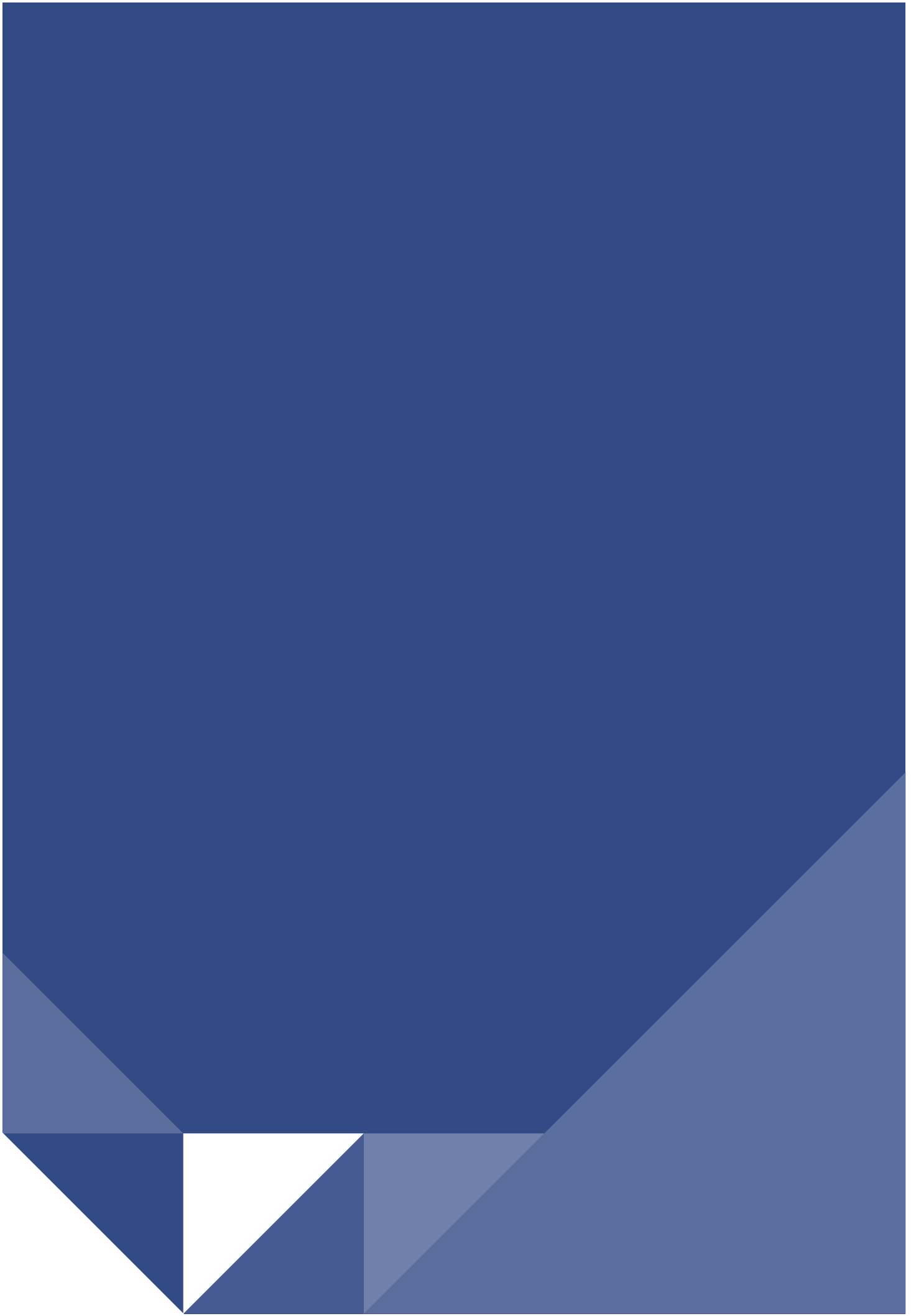
I hereby certify that fraud and prevention has been managed in accordance with Part 2.3 of the Public Sector Management Standards 2006 (see section 113 of the Public Sector Management Standards 2016).

Section 13 of the *Annual Reports (Government Agencies) Act 2004* requires that you present the report to the Legislative Assembly within 15 weeks after the end of the reporting year.

Yours sincerely

Karen Doran  
Director-General

3 October 2023



# Part 2B

Organisational  
Overview and Performance

# B1 Organisational Overview

## Our Vision and Mission

TCCS is committed to delivering high-quality transport, city services and infrastructure with a focus on customer service and the wellbeing of our community and workforce. TCCS is a values-driven organisation which is reflected in the statement:

*'TCCS is recognised by the community for delivering quality services that make Canberra a great place to live. We value our people, we support diversity and strive to be a great place to work.'*

## Our Role, Functions and Services

TCCS is a diverse directorate delivering essential services and infrastructure that Canberrans rely on each and every day.

Transport Canberra manages Canberra's public transport system. It ensures that buses and light rail services are integrated and coordinated with other forms of transport including taxis and active travel elements such as cycling and walking. Transport Canberra aims to ensure transport is accessible for all Canberrans.

City Services include a range of activities including the collection of recycling and waste, graffiti removal, shop and playground upgrades and grass mowing. It is responsible for the management of urban trees, public open spaces and city places including maintenance of shops, domestic animal services, animal welfare and other licensing and compliance services including ranger services and permits for public land use. City Services also manages and builds roads, footpaths, streetlights and cycle paths. Public libraries are also an important city service used by Canberrans year-round.

The Directorate also delivers services through ACT Government businesses such as Capital Linen Service and Yarralumla Nursery, and provides administrative support to Canberra Memorial Parks which operates the Woden, Gungahlin and Hall cemeteries. We also provide support to the ACT Veterinary Practitioners Board and Animal Welfare Authority.

TCCS develops policies and legislation in all its service delivery areas. Overall, TCCS ensures

Canberra remains a great place to live through the provision of these important city services.

## Our Values

TCCS has adopted and promotes the ACT Public Service (ACTPS) values and signature behaviours of respect, innovation, integrity, and collaboration. TCCS has also adopted safety and excellence as additional values and behaviours that staff identify as reflecting the organisation TCCS wants to be. Each of our values plays an important role in making TCCS a great place to work.

## Our Customers and Stakeholders

The TCCS Vision and Mission can only be achieved by establishing and maintaining relationships with a wide range of stakeholders, including:

- > ACT residents and visitors;
- > ACT Legislative Assembly and members;
- > ACT and Commonwealth Government agencies;
- > ACT businesses, community organisations, peak representative groups, professional bodies and unions; and
- > suppliers and contractors.

## Organisational Structure

The Directorate has three core divisions covering Transport Canberra and Territory Business Services, City Services and the Chief Operating Officer Group (see [Figure 1](#)).

TCCS Executive Board is the executive body that sets the organisation's strategic direction and makes decisions to ensure strategic risks are managed and actions are in place to ensure there is capacity to deliver government priorities. The Board has a whole of directorate focus that encompasses planning, strategy, risk, change management and resources. It maintains relationships and communication across the ACT Government to promote collaboration in delivering government services and implementing initiatives.

Figure 1. Transport Canberra and City Services organisational chart as at 30 June 2023



## Transport Canberra and City Services Directorate

As at 30 June 2023, the Senior Executive team is as follows:

### Director-General – Alison Playford

The Director-General is responsible for leadership, management, strategic direction, efficient and effective financial management and good governance for the whole directorate. The Director-General also provides advice and reporting to the Ministers about the Directorate's activity. As a member of the ACTPS Strategic Board, the Director-General provides whole of government leadership for the ACTPS and is responsible for the implementation of whole of government initiatives on the Directorate's behalf.

### Transport Canberra and Business Services Division

#### Deputy Director-General – Ben McHugh

The Deputy Director-General, Transport Canberra and Business Services is responsible for the delivery of essential services to the Canberra community. These include Transport Canberra, Libraries ACT, Canberra Memorial Parks, Domestic Animal Services, Capital Linen Service and Yarralumla Nursery. The Strategic Policy and Customer Branch is also included within this portfolio and is comprised of the Policy and Legislation (Business and City Services), Policy and Legislation (Transport), Transport Policy and Regulation, and Road Safety and Active Travel teams.

### City Services Division

#### Deputy Director-General – Jim Corrigan

The Deputy Director-General, City Services is responsible for the management and delivery of new urban infrastructure, maintenance of roads, stormwater, streetlights, public open spaces, and city places. The role also manages urban rangers, infrastructure planning and development coordination. The Deputy Director-General is also responsible for waste and recycling services, waste policy and regulation.

## Chief Operating Officer Group

### Chief Operating Officer – Cherie Hughes

The Chief Operating Officer (COO) is responsible for the delivery of corporate services across the Directorate including good governance, effective people and financial management, workplace safety, legal and procurement, technology, data, corporate communication and ministerial services. As a member of whole of government and inter-directorate forums, the COO contributes to strategic government policy and is responsible for delivering whole of government initiatives within TCCS.

### Executive Remuneration

The ACT Remuneration Tribunal is an independent statutory body with responsibility for setting the remuneration, allowances, and entitlements for public officials in the ACT including the ACT Government. Further information can be found at the [ACT Remuneration Tribunal](#).

## Governance

TCCS delivers a diverse range of services and infrastructure as well as policy, planning and regulatory roles. These outputs are supported by corporate functions across the organisation. In undertaking these activities, the Directorate employs better practice governance practices to demonstrate transparency and accountability to the community, ACT Government, and staff, and to manage strategic and operational risks.

The Directorate has an established governance framework that streamlines governance processes, ensuring TCCS makes informed, transparent and accountable decisions with a customer focus. This framework provides staff with resources to adopt strong governance principles, providing information on the TCCS governance structure and staff rights and obligations.

Governance arrangements for the Directorate are overseen by the Executive Board and relevant Board sub-committees (see [Internal Accountability](#)). This includes oversight and strategic direction of the Directorate's assurance program and strategic risk management.

See also sections on [B6 Fraud Prevention](#), [Internal Accountability](#), [B4 Risk Management](#), and [B3 Scrutiny](#).

## Policy and Legislative Solutions

The Policy and Legislation teams lead a program of work across the wide-range of services and regulatory roles that TCCS is responsible for.

Key achievements in 2022-23 included:

- > Facilitating the [Road Safety Legislation Amendment Bill 2022](#) which was debated and passed by the Legislative Assembly (the Assembly) on 7 June 2023. The Bill enhanced the road transport penalty framework to target dangerous driving behaviour, and, in response to the Coronial Inquiry into the tragic death of Blake Corney, a regulation making power to require health practitioners to report information relating to a person's fitness to drive.
- > Progressing changes to vehicle registration fees and charges determinations to support the first stage of transition from weight-based registration to emissions based registration. These changes applied to private and business registered light passenger and goods vehicles coming off the two year free registration concession now being charged a vehicle registration fee equivalent to the lowest weight category fee for these types of vehicles.
- > Arrangements were changed for Veteran, Vintage and Historic vehicles to move from a distance (2,000km/3,000km per year) to a day (60 days plus club activities) based conditional registration arrangement. This also included establishment of a new Modified Historic category to cater for vehicles that are modified to an extent where they would not be eligible for registration under the existing categories.
- > Developing new offences under the [Public Unleased Land Act 2013](#) to meet a commitment under the [Parliamentary and Governing Agreement for the 10th Legislative Assembly](#) (PAGA) to further restrict roadside electoral advertising. Amendments to the [Road Transport \(Road Rules\) Regulation 2017](#) were also developed for new penalties for parking a vehicle in a declared place, with advertising or electoral matter is attached to a vehicle.
- > Progressing the [Urban Forest Bill 2022](#). The Bill was debated and passed on 30 March 2023. The Bill repeals and replaces the *Tree Protection Act 2005* and provides a framework to protect and enhance the urban canopy and complement tree planting efforts in the ACT.

- > Developing and progressing the *Animal Management and Welfare Legislation Amendment Bill 2022*. The Bill made minor amendments to the *Domestic Animals Act 2000*, *Animal Welfare Act 1992*, and *Animal Welfare Regulation 2001*.
- > Developing and progressing the [Transport Canberra and City Services Legislation Amendment Bill 2022](#). The Bill was debated and passed on 27 June 2023. The Bill progressed a range of minor and technical amendments to the *Cemeteries and Crematoria Act 2020*, *Litter Act 2004*, *Magistrates Court (Litter Infringement Notices) Regulation 2004*, *Plastic Reduction Act 2021*, *Veterinary Practice Act 2018*, and *Veterinary Practice Regulation 2018*.

### Priorities for 2023-24:

- > Completing the implementation regulation to require health practitioners to report information relating to a person's fitness to drive.
- > Continuing to ensure that the ACT's road transport legislation is effective, fit for purpose and supports the safety and amenity of road users and the community.

## Planning Framework

### Strategic Plan 2021-24

The [TCCS Strategic Plan 2021-24](#) defines the objectives and goals TCCS works towards in achieving the Directorate's vision and mission. The Plan sets three core objectives for TCCS to achieve, being:

- > Community-centric, sustainable outcomes
- > A great place to work
- > Delivering services safely and efficiently.

These are mirrored in the Directorate's three Strategic Objectives and are applicable to all teams and business units across the Directorate. In 2022-23, the TCCS Strategic Plan was a critical guide for the development of annual business plans.

A new business planning guidance document was launched in May 2023 with a refreshed approach, asking business units to develop their own mission statements and articulate their commitment to the TCCS Strategic Plan.

Under refreshed guidance, business units were asked to consider how their day-to-day work impacts the lives and experiences of the Canberra community, including in the context of the ACT's wellbeing framework and other government

policy priorities. Business units also needed to consider workforce planning and staff professional development plans, budgeting and resourcing, project and asset management, risk management, any audit recommendations and compliance considerations.

The TCCS Strategic Plan 2021-24 has been an effective guide for the Directorate through a challenging and dynamic period and will continue into 2023-24.

## Performance Framework

TCCS acts in accordance with the [ACTPS Performance Framework](#) which sets out the objectives for performance management and development of ACTPS employees. TCCS is committed to providing regular and effective performance feedback to employees, to identify development needs and opportunities in line with broader business objectives. The Director-General is responsible for ensuring all staff directly employed by TCCS for more than six months have a performance plan in place that is linked to the achievements of their team and business unit goals and TCCS objectives, and for these plans to be reviewed bi-annually. For executives, these agreements are formalised through their executive contracts.

## Internal Accountability

Refer to the TCCS organisational chart ([Figure 1](#)) and the responsibilities of the TCCS Senior Executive Team (see [page 16](#)).

## Significant TCCS Committees for 2022-23

TCCS has range of internal boards and committees responsible for the Directorate's strategic direction and governance.

*Table 1: Significant TCCS committees for 2022-23.*

Name of Committee	Role of Committee
TCCS Executive Board	The Executive Board is the Directorate's principal decision-making forum. The Board has a cross-directorate focus that encompasses planning, strategy, risk, change, and resources.
Executive Leadership Team	A forum where all TCCS Executives and Branch heads come together to discuss cross-Directorate issues.
Internal Audit Committee	The Committee is responsible for the management of the TCCS audit program and meets quarterly. Refer to part 2B – Internal Audit for more information.
Work Health and Safety Steering Committee	The Committee discusses issues and initiatives at a Directorate level and meets quarterly. Refer to part 2B – Work Health and Safety for more information.
Directorate Consultative Committee	The Committee is a forum for consultation between TCCS employees and unions and meets quarterly.
Finance Committee	The Committee provides leadership, direction and monitoring of the Directorate's financial strategy and financial management, meeting monthly.



*Graphical cityscape design incorporated into the TCCS Strategic Plan 2021-2024.*

# Highlights for 2022-23

TCCS provided the Canberra community high quality services, delivered government priority initiatives and policies, and helped progress city-shaping infrastructure projects. This was achieved with an adherence to the TCCS values, with safety and wellbeing of TCCS employees and community members a constant focus.

The highlights for 2022-23 are grouped under three headings, as per the strategic objectives outlined in the [TCCS Strategic Plan 2021-24](#) being: Community centric, sustainable outcomes; Delivering services safely and efficiently; and Making TCCS a great place to work.

## Community centric, sustainable outcomes

- > Leased [12 new electric buses](#) and finalised procurement arrangements for an additional 94 new buses.
- > Continued to provide the Chair and Secretariat roles of the ACT Government [Disruption Taskforce](#) helping ensure major infrastructure projects associated with Light Rail Stage 2A are delivered in consultation and with as minimal impact as possible for the community.
- > Managed the procurement and announced the provider for a [new ticketing system, Myway+](#).
- > Progressed [Active Travel](#) initiatives including:
  - consultation on the Active Travel Plan and Strategic Cycling Network; and
  - drafting and seeking community feedback on a conceptual design guide for enhancing intersection design for active travel access.
- > Developed and facilitated the [Urban Forest Act 2023](#) which was debated and passed by the Assembly in March 2023.
- > Progressed the [Managing the urban forest Strategy](#) target of 30 per cent canopy cover with almost 13,000 trees planted.
- > Commenced the Environmental Impact Statement process for delivery of a [Food Organics Garden Organics \(FOGO\) Facility](#) in Hume to support the roll out of FOGO collection across Canberra.
- > Progressed the first stages of the transition from weight-based vehicle registration to [emissions-based registration](#).
- > Implemented the second tranche of items in the [Single-use plastics bans](#), and developed the third tranche of items to be banned from 1 July 2023.
- > Completed a study providing a pathway to improving a flexible and on-demand public transport solution.
- > Implemented annual [Cat registration and containment](#) in the ACT with 15,000 cats registered in 2022-23.
- > Trialled new electric [fleet vehicles](#), and added an electric compact street sweeper and electric mini excavator to the fleet.
- > Added over 70,000 new items to the [Libraries ACT](#) collection, with 95 per cent of the collection being loaned-out within each item's first 12 months of availability.
- > Propagated 12,500 trees for Parks NSW as part of a koala habitat rehabilitation project.

## Delivering services safely and efficiently

- > Successfully deployed the [In focus: Rapid response mowing crew](#), while keeping our city's green space tidy with high growth due to wet weather associated with the La Niña weather phenomenon.
- > Resealed over a million square metres of roads, repaired more than 13,200 potholes.
- > Improved road safety by developing the [Road Safety Legislation Amendment Bill 2022](#) which was debated and passed by the Assembly in June, 2023.
- > Developed the [Gender Sensitive Urban Design Guidelines and Toolkit](#) to inform planning and urban design decisions and ensure they are equitable, inclusive, accessible and safe for everyone, particularly women, girls, gender diverse and vulnerable people.
- > Installed and commenced operating [mobile device detection cameras](#) in the ACT including three transportable and two fixed cameras.
- > Delivered [Road safety community awareness campaigns](#), including the Drive for Life Program and 'Every K counts' campaign.

- > Continued the quarterly engagement and consultative Accessibility Reference Group and achieved 96 per cent *Disability Discrimination Act* 1992 compliance for Transport Canberra buses.
- > Managed the clean-up and recovery from the [In focus: Material Recovery Facility Fire](#) (MRF), while maintaining recycling collection services. Progressed the Environmental Impact Statement and procurement processes for a new MRF.

## A great place to work

- > Developed the [TCCS Cultural Integrity Framework](#) which was launched in April 2023. This Framework outlines how cultural integrity involves understanding, respect and care for Aboriginal and Torres Strait Islander cultures and societies.
- > Commenced a program aimed at reducing Occupational Violence in the workplace through establishing a Working Group attended by union and staff members, along with safety, security and legal representatives across Transport Canberra and City Services.
- > Recommended Transport Canberra Operations (ACTION) Agreement enterprise bargaining for the 2021 to 2024 agreement with the Transport Workers Union and Australian Machinery Workers Union, following a period during COVID-19 when negotiations were put on hold.
- > Developed Employee Value Propositions for Aboriginal and Torres Strait Islander peoples, Veterans, youths, and migrants and visa holders to highlight TCCS as an employer of choice, and attract and retain talent in the workforce.
- > Saw an increase in training compliance from 20 per cent in 2021-22 to 81 per cent in 2022-23.
- > Participated in the ACT Public Service Survey, with TCCS achieving a response rate of 65 per cent, above the ACTPS average of 63 per cent. Of TCCS survey respondents, 78 per cent said that, on balance, TCCS is a truly great place to work.
- > Refreshed and expanded Directorate [Diversity and Inclusion Networks](#), including Network Action Plans which are reported against at each Diversity and Inclusion Committee meeting.

## Our 2023-24 Priorities

The Directorate will continue to deliver its high-quality services, policies and initiatives, and community infrastructure in 2023-24, under the three strategic objectives outlined in the TCCS Strategic Plan 2021-24.

## Community centric, sustainable outcomes

- > Update the Transport Canberra Zero Emission Transition Plan to include the delivery of battery electric buses from the current procurement contract.
- > Finalise construction of the Woden Bus Depot and the necessary infrastructure upgrades to existing depots to accommodate zero emissions buses and progress future depot plans.
- > Continue managing the transition to MyWay+, the new integrated public transport ticketing system, including design, development and testing.
- > Incorporate the findings of the development of a customer strategy, to encourage the community back to public transport as the effects of the COVID-19 pandemic are expected to subside and the ACT Transport Recovery Plan can be delivered.
- > Continued implementation of the [Urban Forest Strategy](#) as we strive towards achieving a 30 per cent tree canopy coverage for Canberra by 2045 by planting 20,000 new trees and caring for the 54,000 recently deployed with pruning and watering.
- > Continue the delivery of large infrastructure projects to keep our city moving and better connected, including upgrades to the Monaro Highway, John Gorton Drive and Molonglo Bridge duplication project, William Hovell Drive and the duplication of Athllon Drive and Gundaroo Drive Stage 3.
- > Finalise and commence the Active Travel Plan, continue delivery of new active travel infrastructure including the Garden City Cycle Route, and continue initiatives such as Ride or Walk to School and Its Your Move schools campaigns.
- > Implement the 'Connected and Sustainable Canberra – Modelling transport across Canberra' initiative and complete the development of the Movement and Place Framework.

- > Complete 2023 parking surveys and support [Electric Vehicle Charging arrangements](#) for various activity centres, including assessment of proposals to install chargers within ACT Government car parks.
- > Preparation of a final Circular Economy Strategy and Action Plan and introduce a Circular Economy Bill into the Legislative Assembly.
- > Seek opportunities for inclusion of Aboriginal Art in the delivery of infrastructure projects.
- > Finalise the Imagining Libraries 2030 strategy and implement items from the early stages of the strategy.
- > Progress the relocation of Civic Library and co-design a 21st century Molonglo library and community centre.
- > Continue to ensure our city has a [sustainable and reliable traffic management system](#) by updating obsolete traffic signal controllers, upgrading uninterrupted power supply units, installing more first-generation LED traffic signals, standardising traffic signal software logic and installing more Compact Fluorescent Lamps (CFL) in our streetlights.
- > Develop a [Gungahlin Transport Plan](#) that will identify the infrastructure and service priorities required to cater to the region's growing populated and transport needs.
- > Continue to provide quality services in response to community [requests for tree planting and maintenance, and applications](#) under the *Tree Protection Act 2005* and the *Urban Forest Act 2023*.
- > Continue to ensure safe and well-maintained roads and paths and aim to lift performance against the Pavement Condition Index.
- > Strengthen resource recovery and manage the interim solution for recycling whilst progressing procurement for a new Materials Recovery Facility and for a [new Food Organics and Garden Organics \(FOGO\) processing facility](#).

## Delivering services safely and efficiently

- > Plan for and implement an updated bus network that improves frequency and reliability with consideration of the impact of disruption from construction of the Raising London Circuit and Light Rail Stage 2A major projects.
- > Continue engagement with members of TCCS Accessibility Reference Group, which is aimed at consulting with and having the community informed the delivery of key projects including a new Flexible and On-Demand service for the Canberra community and MyWay+.
- > Continue delivery of mowing services, complemented by the [Rapid Response mowing crew](#).
- > Utilise new road maintenance funding in 2023-24 to rehabilitate Canberra's roads and increase [resurfacing to an area of over 1.26 million square metres](#).
- > Implement the [ACT Road Safety Strategy 2020-2025](#) and the [ACT Road Safety Action Plan 2020-2023](#) and continue measures to improve road safety and compliance with new standards for all road users.
- > Finalise and enact the [Learner Driver First Aid Scheme](#) that applies a five-hour credit to required supervised driving hours for completing a first aid course.

## A great place to work

- > Communicate and implement Enterprise Agreement outcomes.
- > Embed the principles and actions of the TCCS Cultural Integrity Framework across the Directorate.
- > Deliver against the 2023-24 training and development calendar, offering both face to face and e-learning options increasing flexibility to the TCCS workforce.
- > Take a leading role in informing and shaping the ACTPS General Service Officer Classification Review as committed to under the Infrastructure Services Enterprise Agreement.
- > Continue to undertake quarterly assessments of casual and temporary employment arrangements across the Directorate to ensure compliance with the Secure Workforce Conversion Policy.
- > Commence work on developing a new Directorate strategic plan to coincide with the conclusion of the [current Plan](#) at the end of calendar year 2024.

# B2 Performance Analysis

## Strategic Indicators

TCCS has three Strategic Objectives which are outlined in the [TCCS Strategic Plan 2021-2024](#):

- > **Strategic Objective 1** Community-centric, sustainable outcomes
- > **Strategic Objective 2** Delivering services safely and efficiently
- > **Strategic Objective 3** A great place to work

The Objectives are designed to align with the Strategic Objectives, and the domains, indicators and measures set out in the [ACT Wellbeing Framework](#).

Strategic indicators, and associated targets, help measure progress towards these Objectives and were reviewed during the reporting period, with 14 of the 15 strategic indicators maintained. The 'serious road injuries' indicator was removed as work to establish a national standard is ongoing. Indicator targets have been extended to align with the completion of the current TCCS Strategic Plan in 2023-24, unless the target has been set under an identified, government strategy.

### Strategic Objective: Community-centric, sustainable outcomes

We deliver great services, infrastructure and public spaces for the community today. We are innovative, adaptive and creative in making Canberra more sustainable for the future.

The Directorate has a strategic objective of ensuring that city services are consistently high quality, timely, effective, cost efficient and meet the needs of the community. It is committed to ensuring that the city is well maintained, and its assets protected, and that members of the community have opportunities to participate in the decision-making process.

The Directorate works to enhance the liveability, accessibility, diversity, sustainability and resilience of the city, and fosters a city for all ages where all Canberrans feel safe, involved, connected and valued.

Well-maintained parks, local shops, and green open spaces allow Canberrans to have a better

appreciation of the local community in which they live, and enhance their sense of connection, belonging and inclusion with Canberra. In addition, better open spaces provide the channels for people to gather, allowing them to connect to help build local communities.

### Strategic Indicator 1.1: Customer satisfaction with Transport Canberra bus services

Transport Canberra is acutely focused on good customer service, and this focus is enhanced by attracting and retaining drivers who love their work in serving the Canberra community. Customer-oriented behaviour is achieved through:

- > Recruitment and selection of drivers with a focus on delivering great customer service, followed by training that also ensures that the customer is at the centre of being a Canberra bus driver; and
- > Following-through on customer feedback to continually improve the ways we can better accommodate customer expectations across our broad community.

This indicator is measured through responses to an annual customer satisfaction survey. The Directorate has extended its target of achieving an 88 per cent satisfaction rate to align with the completion of its current Strategic Plan in 2023-24.

Customer satisfaction has remained stable during a period of disruption, including the re-location of Woden Interchange and the commencement of infrastructure works for raising London Circuit.

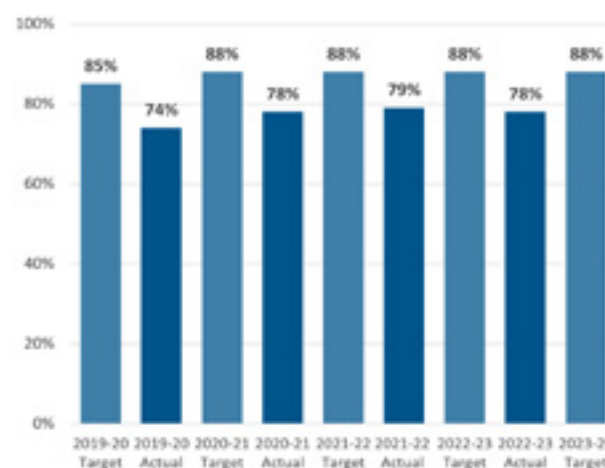


Figure 2. Customer satisfaction with Transport Canberra bus services (including targets)

## Strategic Indicators 1.2 and 1.3: Service availability

A safe, reliable and sustainable integrated transport system is the foundation of a city which is accessible and easy to move around. The Directorate continues to improve the attractiveness, ease of use and accessibility of public transport services for the Canberra community.

Public transport customers place high importance on the availability of public transport services. Customers need to be able to rely on their services arriving and operating through to completion. This is a key element towards supporting customer satisfaction and increasing public transport uptake.

Service availability represents the percentage of total, scheduled trips which have operated to completion, and is measured through two strategic indicators:

- > Strategic Indicator 1.2: Service availability – percentage of cancelled trips; and
- > Strategic Indicator 1.3: Service availability – percentage of incomplete trips.

Measuring cancelled and incomplete trips separately establishes an incentive to operate a partial trip rather than not at all.

Both indicators are measured as the percentage of the total scheduled trips for the financial year. The Directorate has extended its target of no more than one per cent for either measure to align with the completion of its current Strategic Plan in 2023-24.

The percentage of cancelled trips measured in 2022-23 was 0.33 per cent and the percentage of incomplete trips was 0.07 per cent, both results were below the strategic target of no more than one per cent.

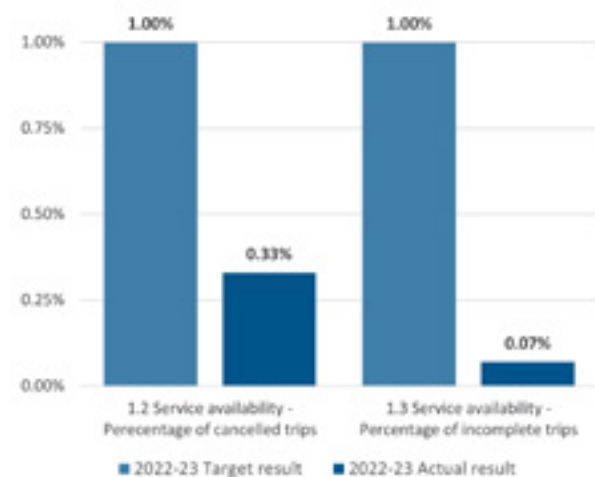


Figure 3. Percentage of cancelled and incomplete trips (including targets)

## Strategic Indicator 1.4: Satisfaction with community engagement experience

The Directorate delivers a broad range of services and policies which impact the day to day lives of our community. A number of activities are undertaken to ensure Canberrans understand the services we provide, and they are given the chance to have their say and influence projects or new policies being developed.

Members of the community can contribute through public meetings, forums, online, hardcopy and telephone surveys, discussion and focus groups, seminars, workshops and local and social media.

This indicator is measured through responses to an annual customer satisfaction survey. TCCS has extended its target of achieving an 85 per cent satisfaction rate to align with the completion of the current Strategic Plan in 2023-24.

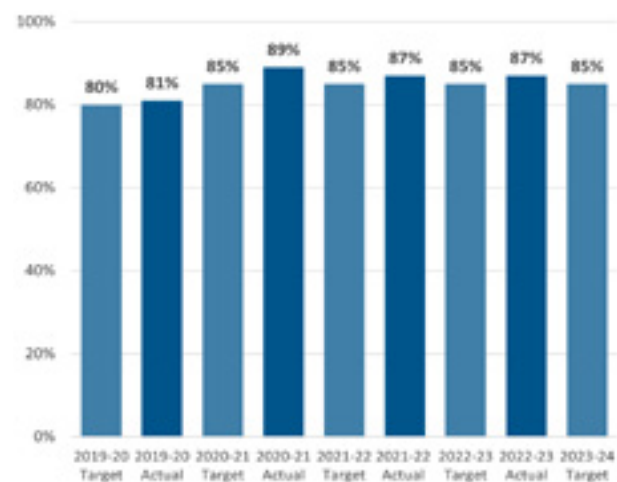


Figure 4. Satisfaction with community engagement experience (including targets)

## Strategic Indicator 1.5: Reduction in waste to landfill as a proportion of the total waste stream

The Directorate has a vision to deliver sustainable waste management for the ACT and support Canberrans in their efforts to avoid waste, and is committed to delivering on the Government policy of ensuring Canberra becomes a fully sustainable city which is responsive to the challenges of climate change.

The Directorate continues planning to reduce the amount of waste sent to landfill, whilst meeting the future demands of a growing Territory, through resource recovery activities including:

- > the strategic procurement of services and ongoing management of assets to deliver waste and recycling services;
- > diverting green and food organics waste from landfill by creating beneficial reuse products such as mulch and compost;
- > enhancements to the operation of the Container Deposit Scheme and support of other material reuse initiatives;
- > developing legislation to minimise the amount of waste produced compared to gross territory product; and
- > delivering waste education and community outreach activities.

This indicator is measured through the relative percentage of resources recovered, compared to waste sent to landfill, as a proportion of total waste generated for the financial year. This is calculated using data collected from weighbridges at resource management and drop-off centres, and data provided by the local resource recovery and recycling industry.

Resource recovery targets were established in the ACT Waste Management Strategy 2011-25, and will be continued until this strategy ends in 2024-25. A new waste strategy, with renewed targets, will be developed and will be informed by current work on the Circular Economy Strategy and legislation, Strategic Waste Infrastructure Analysis, ongoing waste audits and improved data insights gained through the new Waste Regulatory Management System.

## Strategic Indicator 1.6: Reduce public transport related greenhouse gas emissions

The Directorate is committed to reducing emissions from its operations and providing low emissions transport alternatives to the Canberra community.

Public transport plays an important role in achieving greenhouse gas emissions targets for the ACT, and the Directorate continues to implement the [Zero-Emission Transition Plan for Transport Canberra](#) to achieve the ACT Government's ambition of a zero-emission public transport system by 2040.

Work is ongoing to transition the Transport Canberra bus fleet to zero emissions vehicles, and to build the infrastructure and workforce skill set needed to maintain it. This is complemented by initiatives to increase public transport use through improving customer satisfaction with Transport Canberra services (see [Strategic Indicator 1.1: Customer satisfaction with Transport Canberra bus services](#)) and promoting the environmental benefits of public transport as a preferred mode of travel.

This indicator is measured through the number of zero emissions buses in service for a financial year.

The first 12 battery electric buses were delivered into service in 2023-24, and have been successfully delivering services across the Transport Canberra network. Procurement arrangements have been finalised to deliver a total of 106 zero emissions buses to be delivered over the next three years.

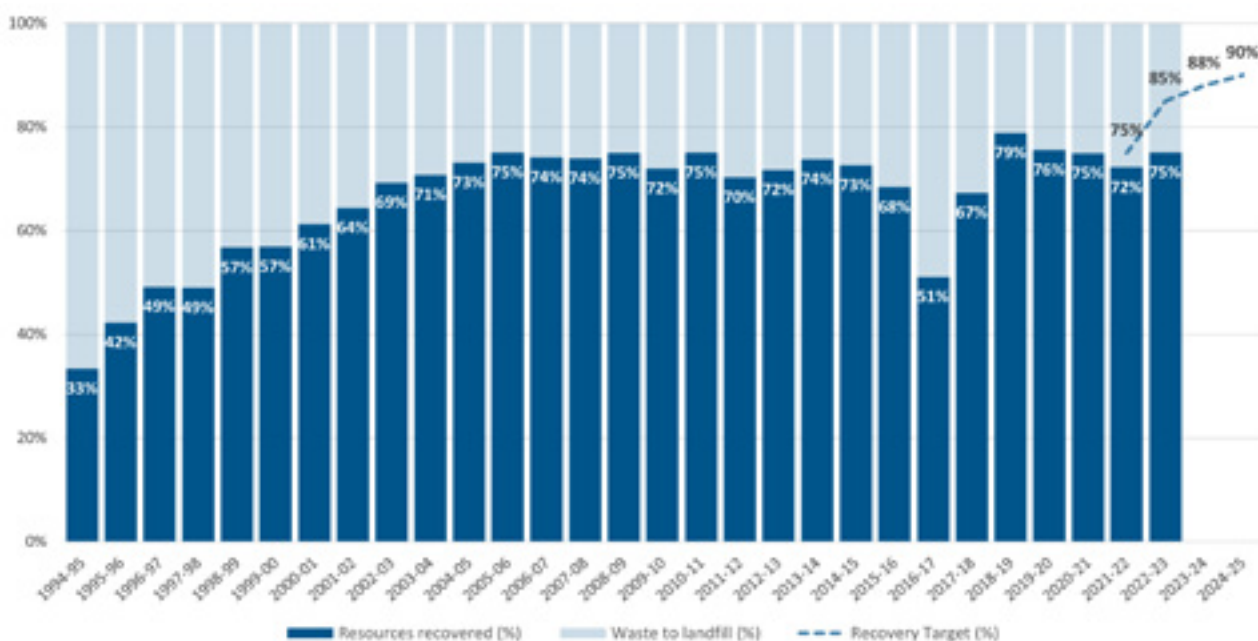


Figure 5. Resource recovery as a percentage of total waste (including targets)

## Strategic Objective: Delivering services safely and efficiently

We look out for each other so that everyone goes home safely at the end of each day. We are trusted with public resources and we use them responsibly.

The Directorate has a strategic objective of ensuring that city services are consistently of high quality, timely, effective, cost efficient and meet the needs of the community. It is committed to ensuring that the city is well-maintained, and its assets protected, and that members of the community have opportunities to participate in the decision-making process.

The Directorate works to enhance the liveability, accessibility, diversity, sustainability and resilience of the city, and fosters a city for all ages where all Canberrans feel safe, involved, connected and valued.

Well-maintained parks, local shops, and green open spaces allow Canberrans to have a better appreciation of the local community in which they live, and enhance their sense of connection, belonging and inclusion to Canberra. In addition, better open spaces provide the channels for people to gather, allowing them to connect to help build local communities.

### Strategic Indicator 2.1: Community satisfaction with city services

The Directorate is committed to improving customer experience, community awareness and engagement with our services, and liveability and social inclusion through the delivery of high-quality services. It

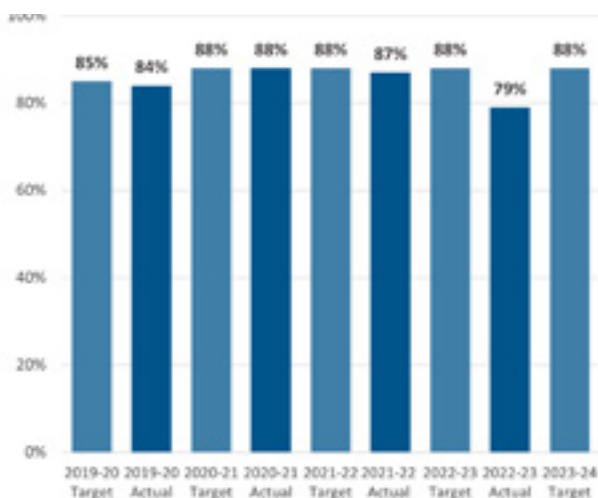


Figure 6. Community satisfaction with city services (including targets)

strives to achieve high customer satisfaction, positive community perceptions, and increase the understanding of our services, and how they can be accessed, by Canberra residents.

This indicator is measured through responses to an annual customer satisfaction survey. The Directorate has extended its target of achieving an 88 per cent satisfaction rate to align with the completion of its current Strategic Plan in 2023-24.

### Strategic Indicator 2.2: Pavement Condition Index score of territorial roads

The Directorate maintains over 3,000 kilometres of road network across the Territory. Territorial roads are used by vehicular traffic and on-road cyclists and play a principle function in linking town centres and suburbs.

The condition of road pavements impacts all transport modes and the experience of all road users and is particularly relevant to vulnerable users such as cyclists and pedestrians. The Directorate is committed to undertaking a comprehensive, user-focussed and evidence-based approach to inform delivery of its Strategic Road Maintenance and Renewal Program (see [Infrastructure Planning](#)).

This indicator is measured through a Pavement Condition Index (PCI) score for the entire territory road network, provided annually through a contract with the Australian Road Research Board (ARRB). The PCI considers a variety of road pavement parameters which would impact road user experience, such as rutting, skid resistance, surface age and cracking, to calculate an overall score.

The Directorate maintains a target of a PCI score less than 2.5, which demonstrates the overall condition is fair or better.

The territorial road network received a PCI score of 2.34 for the 2022-23 financial year, following analysis by ARRB. This score indicates the majority of the road network is in fair or better condition. The Directorate will work to improve the score by delivering the Strategic Road Maintenance and Renewal Program.

### Strategic Indicator 2.3: Promotion of Road Safety – reducing deaths on roads

The ACT Government is committed to [Vision Zero](#) – that means no deaths or serious injuries on the road transport network. Vision Zero acknowledges that deaths and serious injuries on our roads are preventable, and is the central philosophy guiding the approach to road safety.

The Directorate is committed to reducing the number of deaths and serious injuries on the ACT road network in working towards Vision Zero, and continues to invest in evidence-based strategies in its approach to road safety.

This indicator is currently measured through the rate of road fatalities per 100,000 population; this measure is used nationally to monitor road safety performance, and indicate the effectiveness of enforcement, regulation and education activities to support road safety outcomes.

The ACT continued to maintain a lower number of road fatalities per capita than the national average in 2022-23, as shown below.



Figure 7. Rate of road fatalities per 100,000 population for the ACT (including national average)

## Strategic Objective: A great place to work

Canberrans rely on us, and we rely on each other. We work together to create a rewarding, fulfilling and enjoyable workplace where everyone is able to achieve their potential.

TCCS is committed to creating a rewarding, fulfilling and enjoyable workplace which engages people to deliver exceptional outcomes for the community.

This is achieved through a culture of integrity, trust and respect, where collaboration and innovation are valued, and everyone is given opportunities to develop and excel, and achieve their potential.

The Directorate values a safety-focussed workforce culture, where people undertake their work in an environment where physical and psychological safety, and mental health, are a priority.

Included in the [Transport Canberra and City Services Annual Report 2021-22](#) and [2022-23 Budget papers](#), Strategic indicator 2.4 has been removed. The indicator related to “Promotion of Road Safety – reducing serious injuries on roads”, with a target to remain below the national average. As serious injury data is not currently captured in a consistent way across jurisdictions, it is not possible to establish a meaningful indicator based on national data. The Directorate will continue to participate in national conversations to establish an indicator in the future as an additional means of informing our approach to road safety.

## Strategic Indicator 3.1: A great place to work – satisfaction with workplace culture

The Directorate aims to create an enjoyable workplace where team members are supported through professional development opportunities, recognised for their good work and enjoy each other’s company.

This indicator is measured through staff responses to a whole of ACT Public Service (ACTPS) workplace survey. The Directorate first participated in the survey in 2023, whereby 78 per cent of TCCS survey respondents said that, on balance, TCCS is a truly great place to work.

The Directorate will continue to participate in the ACTPS workplace survey on a bi-annual basis, and has extended its target of achieving an 80 per cent satisfaction rate, to align with the completion of its current Strategic Plan in 2023-24.

## **Strategic Indicator 3.2: A great place to work – staff undertaking mandatory training**

The success of the Directorate relies on the knowledge, skills and capability of its entire workforce.

The Directorate has implemented a structured and consistent mandatory training program for all staff to set clear expectations for behaviour and compliance, and promote a workforce culture which values safety and respect.

This indicator is measured through the percentage of staff who have completed the mandatory training program. For 2022-23, 81 per cent of staff had completed the mandatory training program, a notable increase from the previous reporting period attributed to implementation of the Learning and Development Strategy 2020-2023.

The Directorate has extended its target of achieving an 80 per cent completion rate to align with the conclusion of its current Strategic Plan in 2023-24.

## **Strategic Indicators 3.3, 3.4 and 3.5: Safe workplaces**

The safety and wellbeing of the workforce and community, when interacting with services, is a core value for the Directorate. The Directorate promotes a safety-focussed workforce culture, where people undertake their work in an environment where physical and psychological safety, and mental health, are a priority.

The Directorate is committed to maintaining the highest safety standards at its workplaces and enacts a regular and systematic schedule of activities to identify, mitigate and treat work health and safety risks. The Directorate work health and safety management systems meet the requirements of work health and safety legislation, the Safety Rehabilitation and Compensational Self-insurance licence, and internationally recognised safety standards ISO 45001:2018 Occupational Health and Safety Management Systems.

The Safe workplaces indicator is measured through three strategic indicators and the Directorate maintains a target of 100 per cent for each indicator. Performance is regularly reported to the Directorate's Work Health and Safety Steering Committee.

The Directorate's performance against the strategic indicators for WHS was mixed. Structures are in place to ensure all notifiable incidents are investigated in accordance with the WHS

Guideline: Incident Management, as reflected in the achievement of the indicator.

Although there was a significant improvement in both workplace safety inspections and WHS risk register reviews across the reporting period, targets for both indicators were not met. The WHS internal audit program identified areas for improvement for both indicators, and it is anticipated targets will be met next reporting period through the implementation of defined corrective actions.

## **Strategic indicator 3.3: Safe workplaces – safety inspections completed**

The Directorate is proactive in ensuring hazards and risks are identified and addressed, prior to incidents occurring.

This indicator is measured as the percentage of workplace safety inspections completed to schedule per financial year. In 2022-23, 78 per cent of inspections were completed to schedule.

## **Strategic indicator 3.4: Safe workplaces – notifiable incidents investigated**

Learning and sharing information from incidents is a core component of the safety management system. TCCS investigates incidents to ensure corrective actions are implemented and to prevent recurrence within the Directorate.

This indicator is measured as the percentage of notifiable incidents investigated in line with the WHS Incident Management Guideline. In 2022-23, 100 per cent of notifiable incidents were investigated in line with the guideline.

## **Strategic indicator 3.5: Safe workplaces – WHS risk registers reviewed**

The Directorate understands its risk profile and actively manages WHS risk. Across all TCCS workplaces there is regular and systematic identification of WHS risks. Appropriate treatments are applied, and these are measured for effectiveness.

Measured as the percentage of Directorate business units which have reviewed their WHS risk every six months, in accordance with Directorate WHS risk management procedures. In 2022-23, 66 per cent of business units reviewed their risk registers every six months.

# Output Class 1: Transport Canberra

[Transport Canberra](#) is responsible for the operation of Canberra's integrated public transport network including administration of the Government subsidy paid to Transport Canberra Buses, and management of the Private Public Partnership for Light Rail. It is responsible for delivery of strategic projects and procurements, including zero emissions buses, a new ticketing system, and future stages of Light Rail and development and delivery of network planning for bus services.

## Zero emissions transition

The [Zero Emission Transition Plan for Transport Canberra](#) was further progressed in 2022-23, with delivery into service of the first 12 battery electric buses under lease and contracts signed for a further 90 Yutong VDI (Vehicle Dealers International) 'E12' and four Custom Denning 'Element 2' battery electric buses, which will be part of a total 106 zero emissions buses to be delivered over the next three years. The buses will replace ageing diesel and gas-powered vehicles. The first 12 electric buses have been successfully delivering services across the Transport Canberra network - delivering quieter, cleaner, and reliable services across Canberra (see also [B12 Ecologically Sustainable Development](#)).

## Light Rail Stage 2A and a new depot for Woden

Operational planning for Light Rail Stage 2A continued in collaboration with Major Projects Canberra, to deliver the infrastructure required for the next stage of the light rail from the City to Commonwealth Park, and modifications to Mitchell Depot to accommodate the expanded fleet.

The bus network has maintained reliability during the commencement and ongoing infrastructure works being undertaken to raise London Circuit as part of the construction of Light Rail Stage 2A.

Construction of the new Woden Depot progressed with the design incorporating high voltage electrical feeder cables from Wanniasa to deliver capability for a fully electric depot, expected to be completed by late 2024.

Services operating from the old Woden interchange came to an end on 29 January 2023 before the site was demolished to make way for the construction of the new CIT Campus. A temporary interchange has been built and successfully operational since the closure while a new interchange is being constructed - comprising passenger friendly shelters with better weather protection, improved lighting, signage and technology to support future electric buses and light rail. The temporary interchange includes a ticket vending machine, passenger information displays with shipping containers providing bright, clean shelters.

### ***In focus: CIT Woden Infrastructure***

With the demolition of the historic Woden bus interchange, now the building site for the new Woden CIT, Transport Canberra and Major Projects Canberra worked closely to establish a new temporary interchange while works on a permanent interchange are constructed as part of the future City to Woden Light Rail route.



The last bus left the old Woden Interchange on 29 January with the temporary interchange open for service the next day. The temporary interchange works well for passengers, providing a bright open space with shipping containers converted to waiting shelters and the ticket vending machine and passenger information display transferred from the old location. In addition to the temporary interchange, new bus layover facilities have been built on Launceston Street and East Street.

Minimal impact on passengers and the community has been experienced during the transfer of the location of the temporary interchange even with the construction works close by and is a small but essential part of the future government commitments for a new CIT and transport interchange, along with the regeneration of the Woden town centre.

*Image: a Transport Canberra bus leaving the old Woden Interchange for the last time.*

## Next generation ticketing and network enhancements

Transport Canberra completed the procurement and contract signing for the transition from the current MyWay ticketing system to MyWay+, a new next generation ticketing MaaS (Mobility as a Service) solution that will provide a range of convenient payment options as well as a new, real time passenger information system and journey planner.

The post COVID-19 Recovery Plan was implemented, including the [Rethink Your Routine](#) public campaign to promote the use of public transport after COVID-19 along with active travel as a means to avoid the congestion delivered awareness across the Canberra community assisting in the return to bus travel. Transport Canberra saw passenger levels returning to pre-COVID levels in 2022-23 but there was still some way to go. Network changes commenced on Monday 30 January 2023, to accommodate additional travel times due to infrastructure construction (read more at [page 43](#)), in time for the new school year.

## Inclusive services

TCCS strives to be an inclusive service provider and place to work, as reflected in [Our Values](#). Transport Canberra continued to embed the [ACT Aboriginal and Torres Strait Islander Agreement 2019-28](#) and associated Reconciliation Action Plan initiatives across bus and Light Rail, as reported in the Aboriginal and Torres Strait Islander community engagement program and activities on [page 90](#).

Transport Canberra worked hard to ensure bus compliance with the [Disability Discrimination Act 1992](#) (DDA). Due to constraints of delayed delivery of replacement bus orders, there was a 96 per cent compliance rate as at June 2023. Transport Canberra was able to minimise the utilisation of non-compliant buses and will seek to reach 100 per cent as soon as practicable.

The Directorate continued the quarterly engagement and consultative Accessibility Reference Group, which has been meeting for two years. Topics covered in 2022-23 ranged across Transport Canberra and Major Projects Canberra, including bus stop upgrades, transition to zero emission buses, MyWay+ new ticketing system and Light Rail Stage 2A. Separate sessions were also held to demonstrate the new battery electric buses, consult on flexible transport and hear about public transport issues raised by visually impaired groups' representatives.

The reporting period also saw Transport Canberra complete a study that provided a pathway to improving a Flexible and on-demand public transport solution, that is aimed at providing greater accessibility to options for those Canberrans unable to use regular services.

## Making Transport Canberra a great place to work

TCCS's commitment to safety as a core value was demonstrated by the commencement of a program aimed at reducing Occupational Violence in the driver workplace. A Working Group was established comprising union and staff members, safety, security and legal representatives across Transport Canberra and City Services (see [B10 Work Health and Safety](#)). The Working Group objectives are to progress Workplace Protection Orders, consider occurrences and hot spots management, as well as communication with the workforce.

The Transport Canberra Operations (ACTION) Agreement enterprise bargaining for the 2021-2024 agreement recommenced in 2022-23 with the Transport Workers Union and Australian Machinery Workers Union, following a period during COVID-19 when negotiations were put on hold. Focus was around weekend bus service reliability and transition to battery electric buses.

## Priorities for 2023-24

- > Continue managing the transition to MyWay+ next generation ticketing system to start to provide improvements that include a range of convenient payment options as well as a new real time passenger information system and journey planner to make travelling on public transport easier.
- > Update the Zero Emission Transition Plan for Transport Canberra to reflect the continued and future progress and plans for delivering zero emissions buses in or before 2040, including transitioning current and new depots to house and charge electric buses. This includes high voltage feeders being installed at Woden and Tuggeranong with an expected completion date mid-2024.
- > Progress Woden bus depot construction in time to enable it to house battery electric buses due to be delivered over the next three years.
- > Uplift day time bus service frequency, including changes to accommodate school needs, by recruiting more drivers.

- > Achieve 100 per cent compliance with the *Disability Discrimination Act 1992* for bus services through delivery of replacement buses during 2023-2024.
- > Continue development of a Customer Strategy to ensure better engagement and customer communications that encourage mode switch and increased use of public transport.
- > Ensure programs of work are in place that aim to bring a reduction in the occurrence of Occupational Violence amongst the driver workforce, including public awareness, development of staff communications and data analysis of occurrences and locations to identify and address hot spots.
- > Release a request for tender for an improved online booking solution for Flexible and on-demand transport that will deliver a more effective service to more people, in terms of a shortened booking window and access to more services.
- > Continue focus on initiatives to embed the ACT Aboriginal and Torres Strait Islander Agreement 2019-28 and associated Reconciliation Action Plan activities.
- > Conclude the Enterprise Bargaining Agreement negotiations for Transport Canberra, with an aim to provide more certainty and reliability for weekend services and recognise the transition to a battery electric fleet of buses.

#### ***In focus: Light Rail Wrap Special Initiatives 2022-23***

Transport Canberra supported a number of special initiatives utilising light rail assets in the format of external light rail vehicle (LRV) wrap campaigns. This year's focus was to recognise and celebrate Aboriginal and Torres Strait Islander culture and LGBTIQ+ inclusivity and diversity within the community.

A double carriage wrap was used to promote the ACT Reconciliation Day event on 29 May 2023 under the National Reconciliation Week umbrella, to encourage community participation in this important annual event. The campaign ran from early May to June.

A triple carriage wrap was used to showcase the [2022 National NAIDOC Week](#) campaign artwork, 'Get Up! Stand Up! Show Up!' in July 2022. The campaign celebrates those who have driven and led change in Aboriginal and Torres Strait Islander communities, and encourage all of us to champion future change.

Work is underway to engage a local Aboriginal and Torres Strait Islander artist to commission an artwork reflective of Transport Canberra and City Services' reconciliation journey and will be adapted into a LRV wrap in the 2023-24 year.

A five-carriage wrap was specially designed and deployed to raise awareness during Pride Month in June and support the vision for Canberra to be the most LGBTIQ+ welcoming and inclusive city in Australia – a city where everyone is visible, valued, and respected.



*A Light Rail Vehicle featuring the 'Get Up! Stand Up! Show Up!' wrap during 2022 national NAIDOC Week.*

# Strategic Transport Policy and Active Travel

## Active Travel

In 2022-23, the Directorate made significant progress on the development of the [Active Travel Plan](#).

The plan sets out how the ACT Government intends to improve active travel in Canberra in the short, medium and long term, and achieve the overall goal of more Canberrans walking and cycling more often to improve quality of life. This goal is a key pillar of the [ACT Transport Strategy](#) which was launched in 2020.

The Active Travel Plan will be supported by a Strategic Cycle Network which represents the Government's strategic vision for a complete safe and accessible active travel network across the ACT. A conceptual design guide for enhancing intersection design for active travel access was also developed in 2022-23, setting the vision and ambition for safe and people-friendly streets for the ACT with a specific focus on improving safety and accessibility at intersections.

Key achievements towards finalising the Active Travel Plan in 2022-23 included:

- > completing public engagement on the Active Travel Plan and Strategic Cycle Network throughout July and August 2022;
- > establishing a technical reference group focussed on guiding the development of the Strategic Cycle Network and Design Guidance; and
- > drafting and seeking community feedback on the conceptual design guide.

The Active Travel Plan, Strategic Cycling Network and conceptual design guide are expected to be finalised by the end of calendar year 2023.



*Aerial view of a traffic intersection model showing tightened kerb limits which slows turning traffic and increases visibility between road and path users.*

## Road Safety and Transport Regulation

The Directorate continued to deliver the ACT Government's road safety priorities in 2022-23, progressing mobile device detection cameras, community awareness campaigns and by reviewing and facilitating the amendment of legislation.

### Mobile device detection cameras

The Directorate managed the procurement for the installation and operation of three transportable and two fixed mobile device detection cameras in the ACT.

At the end of the 2022-23 reporting period, three transportable cameras were being rotated across the ACT's Road network every three to seven days. The two fixed cameras are located on Hindmarsh Drive and Gungahlin Drive and were undergoing testing and system integration at the end of the reporting period. Warning notices were expected to begin being issued from the second half of 2023, with infringements issued approximately three months after. A comprehensive multi-phased awareness campaign on the dangers of distraction was delivered to coincide with the roll-out of the cameras.

### Road safety community awareness campaigns

The Directorate engaged the Salvation Army to deliver the [Drive for Life Program](#) in 2022-23, which aims to assist disadvantaged young drivers achieve the requirements to obtain an ACT driver licence. Drive for Life offers volunteer driving mentors to help gain the required driving hours, facilitates access to further driver education programs such as the Safer Driver Course and Vulnerable Road User Program, as well as providing driving lessons with an accredited driving instructor.

The Directorate also delivered a comprehensive awareness and behaviour change campaign targeting casual speeding from March to the end of June 2023. The '[Every K counts](#)' campaign focussed on changing attitudes toward casual speeding by:

- > educating motorists on the role low level speeding play in fatalities and serious injuries on ACT roads;
- > resetting driver attitudes to normalised 'everyday speeding' behaviour to prompt behaviour change; and
- > encouraging drivers to slow down.

The casual speeding campaign ran across multiple channels targeting drivers before they got in their car, and during their commute.

The [ACT Road Safety Action Plan 2024-25](#) has been developed to build on the achievements of the current action plan and seek to align the priority actions with the strategic aims of the ACT Road Safety Strategy 2020-25 and national road safety framework. The ACT endorsed the [National Road Safety Action Plan 2023-2025](#) through the Infrastructure and Transport Ministers' Meeting. Endorsed in December 2022, the Plan builds on the national strategy and sets out the key actions all governments will undertake to 2025, in pursuit of the agreed priorities identified in the Strategy.

## Road safety legislation

The Directorate constantly monitors the ACT's road transport legislation to ensure it remains effective, fit for purpose and supports the safety and amenity of road users and the community.

A key achievement in 2022-23 was the development of the *Road Safety Legislation Amendment Bill 2022* (2022 Bill) which was debated and passed by the ACT Legislative Assembly on 7 June 2023. The 2022 Bill enhanced the road transport penalty framework to target dangerous driving behaviour to ensure it is appropriate and proportionate to address the range of high-risk behaviours on ACT roads across five main areas:

- > high-range speeding;
- > street racing, attempts on speed records, speed trials and other hooning behaviours;
- > furious, reckless, and dangerous driving;
- > drug driving; and
- > driver licencing fitness to drive.

The 2022 Bill also implemented recommendations from the Coronial Inquiry into the tragic death of Blake Corney, by introducing a regulation making power to require health practitioners to report information relating to a person's fitness to drive to the Road Transport Authority (RTA). Once notified, the RTA may commence an assessment of the person against nationally approved fitness to drive standards. The regulation making power commences 21 June 2024 to allow for the detail of the regulations to be considered in consultation with stakeholders.

The Directorate also progressed changes to vehicle registration fees and charges determinations to support the first stage of transition from weight-based registration to emissions-based registration. These changes applied to private and business registered light passenger and goods vehicles coming-off the two-year free registration concession. These vehicle registration fees are

equivalent to the lowest weight category fee for these types of vehicles.

The registration framework for Veteran, Vintage and Historic vehicles was also amended. The registration of these vehicles is now based on the number of days a vehicle is used rather than the distance travelled each year. This also included establishment of a new 'Modified Historic' category to cater for vehicles that are modified to an extent where they would not be eligible for registration under the existing categories.

## Road Safety Fund Community Grants

The [ACT Road Safety Fund](#) was established in 2015 to support the ACT Road Safety Strategy and is resourced by the road safety contribution levied on ACT vehicle registrations. It funds projects and initiatives relating to road safety research and education, and road safety trauma prevention.

The Road Safety Advisory Board provides advice and recommendations to the Minister on the distribution of Road Safety Funds, including the allocation of grant funding. Grants are provided on an annual basis with [Table 2](#) detailing grants provided in 2022-23.

## Priorities for 2023-24

- > Finalise and commence implementation of the Active Travel Plan, delivering strategies to increase active travel opportunities and participation.
- > Develop and deliver a Whole of Government community awareness campaign to support compliance with road transport laws and road safety behaviours.
- > Develop the ACT Road Safety Action Plan 2024-25 to build on the achievements of the current action plan and seeks to align the priority actions with the strategic aims of the ACT Road Safety Strategy 2020-25 and national road safety framework.
- > Finalise and enact the Learner Driver First Aid Scheme that applies a five-hour credit to required supervised driving hours for completing a first aid course.
- > Completing the implementation regulation to require health practitioners to report information relating to a person's fitness to drive.
- > Continuing to ensure that the ACT's road transport legislation is effective, fit for purpose and supports the safety and amenity of road users and the community.

Table 2: ACT Road Safety Fund Community Grant recipients for 2022-23.

Recipient	Project Description	Term of Grant	Funding Amount (\$)
	<b>Assessing predictors of crash risk in older adults</b>		
The Australian National University	This project aims to provide new knowledge that can be used to increase older adult driver safety and reduce crashes, injuries, and deaths in this group. It is designed to enhance our understanding of the role of cognitive processes such as working memory capacity, which gauges the ability to regulate attention and shut out distraction in hazard perception and driving safety.	12 Months	23,940.00
	<b>Safety When Work and Transport Merge Workshop</b>		
Australasian College of Road Safety (ACRS)	This will include a course for local businesses and trade organisations that will provide knowledge and skills to develop workplace safety policies and procedures for their organisation. Back up support for 6 months following the course will be provided for participants via phone or video.	12 Months	12,000.00
	<b>Driving behaviours of ACT cannabis users following the decriminalisation of cannabis cultivation and possession</b>		
University of Sydney - Lambert Initiative for Cannabinoid Therapeutics, Brain, and Mind Centre	The project aims to characterise the cannabis use and driving behaviours of ACT residents who are legally cultivating and consuming cannabis.	12 Months	50,000.00
	<b>The Motorcyclist Incident Reporting Tool (MIRT)</b>		
University of Sunshine Coast	This is a new online incident reporting tool and learning system that motorcyclists across the ACT and Australia can utilise to report and analyse incidents and near misses.	10 Months	52,603.00
	<b>First Aid for Learners Drivers: Delivery &amp; Evaluation</b>		
QUT	This project aims to implement and evaluate the St Johns First Aid for Learner Driver program in the ACT.	12 Months	45,800.00
	<b>Examining safety on roads around Canberra's light rail network</b>		
Monash University Accident Research Centre	This research will aim to identify strategies that may enhance road safety around Canberra's light rail corridor.	10 Months	49,972.48
	<b>Kings Highway Road Safety Partnership</b>		
Eurobodalla Shire Council	This will install roadside banners at set locations on the Kings Highway with new messaging to keep ACT drivers safe on the Kings Highway.	14 Months	15,000.00
	<b>A Survey of cyclist travel and crash experiences in the ACT</b>		
University of Adelaide	This will look at injury outcomes, and perceived safety on the ACT road network. Perspectives on how cycling travel and safety in the ACT can be improved will also be sought, with a view to providing an optimal safe road system for cyclists.	12 Months	54,234.50
	<b>Risky driving behaviour identification using IoT data</b>		
University of Technology Sydney	This project aims to identify behaviour such as hard braking and harsh turning using datasets received from the vehicle on-board IoT devices currently circulating around the Australian territory.	8 Months	60,872.00
	<b>Learn to Drive Program (LDP)</b>		
Migrant and Refugee Settlement Services (MARSS)	This will provide lower cost driver training for migrants and refugees to becoming safe drivers and enable them to obtain their driving license in the ACT.	14 Months	49,800.00

# Output Class 2: City Services

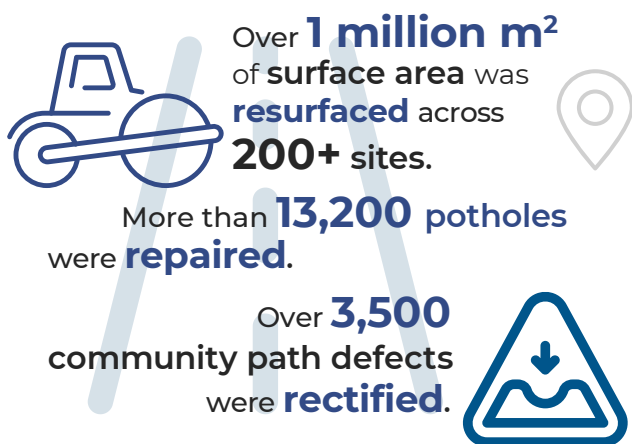
## Output 2.1: Roads and Infrastructure

### Road maintenance – road resealing

Each year, Roads ACT undertakes the planned Road Resurfacing Program to prevent potholes and other pavement defects. In total, more than a million square metres of roads were resurfaced in 2022-23 utilising three resurfacing treatments:

- > **Bitumen Spray Seal (reseal)** - a preventative maintenance treatment designed to waterproof the road surface to stop water from damaging the road. During 2022-23, 243 sites with total area 911,626 m<sup>2</sup> were Bitumen Spray Sealed (resealed).
- > **Microsurfacing** - which involves spraying a thin layer of bitumen emulsion with special additives and finely crushed stone onto the existing pavement. During 2022-23, four sites with a total area of around 50,732 m<sup>2</sup> utilised this process.
- > **Asphalt resurfacing** - a maintenance road treatment that applies a hot mix of bitumen and aggregate. The hot material is tipped into a paver which places a uniform layer of the product on the road and is compacted while still hot. During 2022-23, 14 sites with around 68,058 m<sup>2</sup> used this process.

Due to the significant rainfall experienced throughout the year, over 13,200 potholes were repaired. This was an increase of 5,400 compared to the previous year.



## Community paths

The Directorate conducted approximately 3,238 path inspections in response to community requests and 3,504 defects were rectified on community paths, pavers, kerbs and gutters.

Work completed in 2022-23 equated to approximately:

- > 16,874 m<sup>2</sup> of concrete path;
- > 10,997 m<sup>2</sup> of asphalt path;
- > 4,559 m<sup>2</sup> of segmental paving; and
- > 1,591 metres of kerb and gutter work.

In addition, 1,669 metres of path grinding and cold-mix patch work were also undertaken to eliminate the trip hazards on community paths as an immediate measure after defects were identified.

## Traffic management

The Roads and Paths team processed 3,435 new applications for Temporary Traffic Management Plans in 2022-23, representing a 17 per cent increase from the previous year. This increase indicates that the local building industry is returning to pre-COVID application activity. The Director Network Operations position was established and recruited to manage network operations and assist with disruption communications.

A total of 357 traffic volume and speed surveys were conducted across the network in 2022-23.

Uninterruptible Power Source (UPS) devices were installed at 37 major traffic signal sites. This ensures that traffic signals remain operational during power outages. At the end of 2022-23 approximately 100 sites have been equipped with UPS.

New Light Emitting Diode (LED) traffic signal lanterns were used to upgrade 24 traffic signal sites. Roads ACT has now retired all quartz halogen traffic signal lanterns, operating 100 per cent LED lanterns, which use approximately 20 per cent of the power of quartz halogen lanterns and require significantly less maintenance.

A total of 37 live traffic monitoring cameras were commissioned across 32 signalised intersections and three mobile variable message signs during 2022-23.

## Streetlights

Several new lighting projects were delivered under the streetlight urban infill program, improving brightness and safety while making our city more sustainable. Sites included the Weston Pathways, Banks Pathways (over one kilometre of lighting),

Cook Pathways, EPIC park and ride carpark, and the Hyatt carpark.

Meanwhile 2,359 Compact Fluorescent Lamp (CFL) lights were upgraded under the dull lights program. At the end of the 2022-23 Financial year, around 47,000 out of Canberra's 83,000 streetlights will have been upgraded to energy efficient LED technology.

## Stormwater

Stormwater works were successfully completed in early 2023 to increase pipe size, upgrade sumps and increase network capacity along McKinlay Street Narrabundah, providing greater flood protection to residential properties during extreme storm events.

The channels near Point Hut Pond and Hume Ponds Major underwent major cleaning and desilting in 2022-23. Cleaning and desilting works improves waterflow through stormwater channels to prevent flooding.

Preventative stormwater works were also conducted, including suburb-wide pipe cleaning in Gordon, to lessen likelihood of future flooding.

Significant repairs were made to the open concrete channels along Yarralumla Creek, in response to a storm and flooding event. Around 60 metres of concrete panels were replaced and significant areas of stone pitching repairs were completed.

## Priorities for 2023-24

- > Deliver the Strategic Road Maintenance and Renewal Program using significantly increased road maintenance funding. The program will continue to focus on preventative maintenance such as resealing and will see up to a 150 per cent increase in asphaltting.

- > There are several priorities for traffic signals including the continued replacement of obsolete traffic signal controllers and the roll-out of further internal UPS controllers. The UPS program will include a new model which caters for larger sites with more controlled movements, negating the need for the significantly more expensive external UPS units. This roll-out will include the rebuilding of second-hand controllers with internal UPS facilities. Other traffic signal priorities include the replacement of further first-generation LED traffic signals which are nearing the end of their life cycle and further development of standardised traffic signal software logic, which realises significant benefits including efficiency of production and consistency.
- > Trial Gross Pollutant Trap upgrade modifications in accordance with performance audit recommendations at several sites to test and monitor performance before commencing a larger scale roll-out.
- > Ginninderra Dam works will be completed during September and October 2023. Work involves emptying the stilling basin of water to enable cleaning and removal of debris and rubbish and to enable a detailed inspection of the dam.
- > Deliver an over 40 per cent increase in path maintenance through an augmented community path maintenance program.
- > Continue to increase the use of recycled content such as truck tyres, crushed glass, recycled asphalt pavement, in road maintenance and construction activities such as road resurfacing, rehabilitation and new construction works where appropriate.

### ***In focus: Orroral Culvert***

The Orroral Culvert over the Gudgenby River experienced significant damage during the floods in February 2020, March 2021, and August 2022.

To address this issue, Roads ACT implemented a project which focused on improving the water flow under the crossing by replacing the twin-pipe with a box culvert and installing concrete pavement and stone pitching.

The rehabilitation work was crucial as Orroral Road serves as a strategic access route for emergency services, particularly during bush fire response.

By reducing the structure's vulnerability to storm damages, the road is now more readily available for use by emergency services, which enhances their efficiency and effectiveness. It also facilitates recreational activities.

*Image: construction work at the damaged Orroral Culvert over the Gudgenby river.*



## Infrastructure delivery

Infrastructure Delivery continued to deliver quality public infrastructure for the ACT Community through its significant capital works program in 2022-23 with 262 projects being progressed by the Branch in the financial year. The projects sought to achieve environmentally sustainable outcomes, be socially impactful for the community and will provide lasting economic growth for the Canberra community.

Delivery was in the context of significant disruption during 2022-23 including market wide cost escalation causing cost pressures, issues with supply chain, and the shortage of building materials, labour, and skills. The continued wet weather impacted the program and costs, in particular the ground condition carrying a high-water load and insufficient time for ground to dry out between rain events.

Key major infrastructure priorities from 2021-22 were progressed, including completion of two sections of the Gundaroo Drive duplication (Baldwin Drive to Ginninderra and Barton Highway to Chuculba Crescent) and signalisation of the Dumas Street intersection. A Design and Construct contract was awarded for delivery of John Gorton Drive 3C and Molonglo River bridge, while detailed design of William Hovell Drive duplication has been progressed.

### Umbagog Pedestrian Bridge replacement

Two of the three pedestrian bridges being replaced in the Umbagog District Park have been completed. The Umbagog District Park is a part of the Ginninderra Creek corridor and plays an important role in connecting to nature, community connection and exercising opportunities for residents in the West Belconnen region. The bridges were structurally unsafe due to the deterioration of major timber components. Construction is well underway on the third bridge and work is progressing on the structural build. The replacement of the bridges re-enables access to Umbagog District Park and provides nature and bush walking experiences for the residents.

### Belconnen Bikeway Stage 2 (including the Battye Street off-road path)

The Belconnen Bikeway Stage 2 and Battye Street link was completed in June 2023. The new bikeway improves pedestrian and cycling accessibility from the city and the institutions to the east through to the Belconnen Town Centre, and connects the major



Image: aerial view of a replaced pedestrian bridge at the Umbagog Park District.

institutions (University of Canberra, Bruce CIT and the Australian Institute of Sport) to, through and beyond the Belconnen Town Centre. The delivery of the project provides a safe and accessible bikeway for users and included landscaping which improves the overall amenity along the alignment and provides opportunities for increased shade areas.

### Sydney and Melbourne Buildings Laneways Upgrades

Stormwater and road surface upgrade works within Verity and Odgers Lanes at the Sydney and Melbourne Buildings respectively have been completed. The stormwater network at these iconic heritage-listed buildings had longstanding drainage issues and the upgrades have improved flood immunity to local businesses within each building. Through place making collaboration between TCCS and the City Renewal Authority, the revitalisation of Verity and Odgers Lanes has created spaces for the public to enjoy when visiting the city centre through improved public amenity, safety, connectivity and accessibility.

### Beltana Road

The upgrades to Beltana Road in Pialligo will deliver active travel, better pedestrian connectivity and road safety improvements.

Funds were allocated in the 2021-22 ACT Budget of \$1.5 million and 2021-22 Federal Government Budget of \$2.5 million and 2023-24 ACT Better Infrastructure Fund Budget of \$1.0 million to support the construction of the proposed improvements.

The upgrades and improvements include:

- > formalisation of car parking along Beltana Road, new shared paths and safe pedestrian/ cyclist crossings;

- > improved amenity with landscaping including more trees and shrub planting;
- > traffic calming devices along Beltana Road to reduce vehicle speeds and increase pedestrian and cyclist safety; and
- > a new 'left out' intersection at the southern end of Beltana/Kallaroo Roads onto Pialligo Avenue slip lane to reduce traffic volumes and congestion along Beltana Road at peak times.

Stage 1 works completed the left out turn on to Pialligo Avenue and supported temporary traffic arrangements for Stage 2 works.

Stage 2 works include the closure of the southbound lane along Beltana Road to allow construction of the new verge works along the full length of the eastern side of Beltana Road, creating one way traffic along Beltana Road. Stage 3 works will see the closure of the opposite lane allowing for the full length of verge works to be completed with expected completion in early 2024.

## Mawson stormwater and placemaking improvements

Improvements to stormwater infrastructure have been constructed upstream of the Mawson Group Centre. The stormwater improvements design is based on a number of retarding structures in the form of stone walls which will pond, slow down and manage stormwater flows during high intensity rainfall events, slowly releasing into Yarralumla Creek stormwater system. The structures will reduce risk of flooding to businesses in the Mawson Group Centre and future developments.

Key features of the design include:

- > diversion of stormwater through landscape berms and stone walls that provide amenity value in addition to flood protection;
- > maintenance work in the existing Yarralumla Creek channel;



Image: a cyclist using the Belconnen Bikeway.

- > improving some of the frequently used pedestrian routes on the southern side of the Mawson Group Centre including a new accessible pathway between Mawson shops and the playing fields, parking areas, constructing the missing link in the footpath network along Mawson Place and providing lighting for paths and a carpark area;
- > upgrade landscaping on southern side of Mawson shops and the Mawson playing fields; and
- > planting a selection of tree species to provide long term shade, reduce root ingress into the playing fields, and enhance amenity as well as reduce urban heat effects.

This project is the first jointly funded between the ACT and Australian Governments under the [Commonwealth's National Flood Mitigation Infrastructure Program](#).

## East Gungahlin High School

The road infrastructure project supporting East Gungahlin High School was nearing completion at the end of the reporting period. All construction works have been completed prior to the school opening including active travel paths linking up to the light rail stop on Flemington Road and the bus stops on Well Station Drive. Rhodanthe Way has been constructed to provide vehicular access to the school and into the future suburb of Kenny. This new road is named in honour of Rhodanthe Lipsett.

Coordination with the adjacent school construction works was an essential element to the success of this project. As was the attention paid to preventing impacts on Nadjung Mada nature reserve which abuts the project site – noting there were hazard reduction burns on the reserve whilst construction was being undertaken. Both the Kings Canyon Street and Albatross Crescent (west)/Rhodanthe Way intersections with Well Station Drive have been signalised improving safety for pedestrians, cyclists and vehicles.

## Local and Group Shopping Centre upgrades program

Construction work at Duffy Shops, Campbell Shops and Gwydir Square Shops at Kaleen were all completed in 2022-23 as part of the Local and Group Shopping Centre upgrades program. Upgrades included adjustments to parking arrangements improving safety and usability of accessible parking spaces, new parking spaces within both car parks, new pavement with levels realigned where appropriate, new kerb ramps and paths to improve accessibility, landscaping which including new trees, improved tree pits for growing conditions, shrubs, edging treatments and mulching, furniture and

amenity elements including bike parking, seating, and tables, new shade sail to the playground, new shade structure to the seating area outside playground and the installation of new toilets.

Procurement of the design consultation for the upgrades or improvements at Narrabundah, Monash, Evatt and Macquarie local shops; and at Lanyon and Calwell Group Centres continue. Brierly Street improvements and Kippax group centre upgrades have completed design and construction tenders were being progressed at the end of the reporting period.

## Improving amenities at Boomanulla Oval, Narrabundah

Upgrades to Boomanulla Oval were undertaken as part of the Local Roads and Community Infrastructure Program Phase 3. These upgrades include the replacement of approximately 900 lineal metres of the perimeter fencing including access gates for maintenance and ICON Water. The water metre pit was also upgraded and included irrigation of approximately 2.5 hectares of sportsgrounds, a new pump house building and one commissioned cultural artwork. The outcomes of the system upgrade improve safety and optimise system performances. An efficient and effective watering system, with the ability to deliver on water savings and produce an improved playing surface, will benefit the ACT Sporting Community.

## Bridges Renewal Program

The bridges on Hindmarsh Drive over the Yarralumla and Long Gully Creeks were strengthened as part of the Bridges Renewal Program, an Australian Government initiative, for the upgrade and replacement of bridges to enhance access for local communities and facilitate higher productivity vehicle access. The project involved improving the safety of the bridges by strengthening them to design standard SM1600 and to minimise any detours to delivery trucks supplying goods to the ACT. As part of this program and in line with the [ACT Transport Strategy 2020](#) the ACT Government is progressing the design for strengthening of six bridges along Sutton Road.

## John Gorton Drive Stage 3 and Molonglo River Bridge

The total budget allocated to the John Gorton Drive and Molonglo River Bridge program is \$201.2 million. The [ACT Government Infrastructure Plan](#) (2019) identified that the completion of John Gorton Drive and Molonglo River Bridge crossing as a priority, required to connect Molonglo and support the full development of the Molonglo Valley, including the new Molonglo Group Centre. The project has created

### *In focus: Gender Sensitive Urban Design Guidelines*

The [Gender Sensitive Urban Design Framework](#) and Toolkit was developed in 2022-23 and aims to set the highest benchmark for public spaces; ones that are equitable, inclusive, accessible, and safe for everyone, in particular women, girls, gender diverse and other vulnerable people. The framework was identified as an action in the [ACT Women's Plan 2016-26](#) and sits withing a broader policy context and has been informed by a number of policies and Acts. Most importantly it reflects the [Human Rights Act 2004](#), the [ACT Discrimination Act 1991](#), and the [ACT Wellbeing Framework 2020](#). Additionally, it aims to inform and guide planning and urban design decisions across the ACT, particularly for practitioners and those working in the design of our cities and public spaces.

The key benefits of adopting a gender sensitive urban design approach result in public spaces that are inclusive, feel safe and comfortable, and are well managed. These outcomes do not exclusively benefit women or gender diverse people, they work towards creating a more liveable city for everyone.

jobs for Canberrans and core service deliveries. This is the final section of John Gorton Drive and will include a bridge crossing of the Molonglo River.

The completion of John Gorton Drive, including the Molonglo River bridge, will provide the main north/south arterial road connection for the Molonglo Valley connecting the growing suburbs of Molonglo and West Belconnen to the rest of Canberra.

The project will support significant land releases in Molonglo, including the full development of Denman Prospect, Whitlam and the Molonglo Group Centre.

When built, the new bridge will span over 200 metres across the region's major river. It will be the longest



*Image: artist impression of pedestrian improvements along Beltana Road in Pialligo.*



*Image: view over the Molonglo River bridge site.*

weathering steel bridge in Australia. In Canberra it will be the tallest road bridge and the fourth longest behind Malcolm Fraser, Commonwealth Avenue and Kings Avenue bridges.

The detailed design and construction tender has been awarded. Early-stage design is progressing and a Section 165 submission to the Planning Authority has been made to incorporate the contractor's innovations (which bring cost and time savings) was submitted on 22 June 2023.

Preliminary investigative site works have commenced with geotechnical investigations. Detailed design is expected to be complete in late 2023 with major works commencing soon after.

### ***In focus: Recycled Plastic Fibres trial continuing in concrete to reduce emissions***

The TCCS Infrastructure Delivery team continues to monitor the trial of recycled plastic fibres in concrete, a more environmentally friendly product for reinforcing concrete used in path construction in 2021-22 and 2022-23. The aim of the trial is to explore the viability of this type of material and to expand on the opportunities for use of these alternative materials and products, with the goal of having the TCCS standards recognise this technology and application to enable Territory to deliver more sustainable construction outcomes.

TCCS has committed to a trial of recycled plastic fibres in concrete, a process which uses 100 per cent recycled commercial plastic in place of standard steel reinforcement in concrete. The 1,000 m<sup>2</sup> trial sites are at varying locations and involve varied applications with a four-year performance monitoring plan that has been established to report on its performance compared to standard steel reinforced concrete community paths. The current reports from the trial have been very positive and have highlighted where this is working well and what other broad applications may be considered, such as concrete medians and for use in concrete base for paved verges.

The cost of utilising recycled plastic fibres compared to traditional methods is comparable. By exploring the use of recycled products, TCCS is actively working to reduce carbon emissions created through the production of steel and find innovative and sustainable solutions to reduce plastic waste. The product claims to reduce carbon emissions by up to 90 per cent of traditional methods for producing similar materials.

The TCCS trial is also assessing the implications for this material in a whole-of-life way by considering how this material can be removed and recycled. A crush test is being undertaken with the assistance of local recyclers to assess the capability of local industry.

Concrete reinforced with recycled plastic fibres can be re-crushed and used in road base blends. The amount of this type of plastic is well below maximum amount allowed by the Environment Protection Authority. As recycling facilities become more mature the fibres can also be removed after crushing, through washing plants with the plastic collected and recycled.

TCCS Infrastructure Planning has been consulted and is incorporating the use of this type of product into the TCCS standards, which has been progressing with the details from the trial supporting the current assessment. This product also has specific interest from the Suburban Land Agency and is being adopted in concrete paths as part of a controlled roll-out on select subdivision works. The incorporation of this type of product into TCCS standards is expected to be in place in 2024 and will support more broad use of this product and approach by all delivery agencies across Government. TCCS will continue to monitor the trial of recycled plastic fibres in concrete across the ACT.

## Hume Material Recycling Recovery Facility

The delivery of the new Hume Material Recovery Facility (MRF) is partially funded through a commonwealth grant, the Recycling Modernisation Fund with matched funding from the Territory, with the balance of the financing provided by the successful contractor.

The existing MRF was destroyed by fire on the Boxing Day public holiday, 26 December 2022 (read more at [Output 2.3 Waste and Recycling](#)). Since the fire, the ACT Government has been transporting the ACT's recycling material interstate for processing. The new MRF is to be delivered as a priority and the Government is expediting the new MRF by undertaking a single stage procurement process to ensure the facility is built as soon as possible.

The MRF project will deliver a new fit for purpose MRF that supports the receiving and progressing of ACT and the potential to accommodate surrounding regions recycling. The new MRF assists in fulfilling core service delivery by processing the yellow lidded bins. It will create jobs for Canberrans both during construction and delivery.

The project will deliver a MRF to process recyclables to meet the requirements of the Council of Australian Governments (COAG) Waste Export Ban and align with broader government priorities

including delivering quality recycling services and sustainable waste management for the ACT community.

Key achievements since the fire and by the end of the reporting period included:

- > Development of the out to market package.
- > Release of Early Tender Notification to prepare the market for the project.
- > The Environmental Impact Statement (EIS) is continuing preparation in accordance with the EIS issued Scoping Document.

Pre EIS community engagement has concluded. An engagement report was being prepared and will be included in the draft EIS.

## Woden Bus Depot

In 2017-18 the Government committed to construct a third bus depot in Woden. Transport Canberra has been operating from the current two depots at Belconnen and Tuggeranong since the decommissioning of the Woden Bus Depot in the mid 1990s. At that time Transport Canberra was able to service the needs of the ACT community successfully with two bus depots in their current locations. Since then, there has been significant growth in the Transport Canberra fleet required to meet increased demand particularly in peak times

### *In focus: Yarralumla Nursery – Glasshouse 34 Restoration Project*

The ACT Budget allocated funding in 2022-23 Better Infrastructure Funds to improve the safety of critical infrastructure including critical restoration works of aged (heritage) infrastructure at Yarralumla Nursery .

Maintaining the Nursery facilities is critical to the supply of plants to support the ACT Government's tree planting program. This initiative aligns with the [Canberra's Living Infrastructure Plan: Cooling the City](#), which includes enhancing trees to keep our city cool, healthy, and liveable in a changing climate and contributes to carbon sequestration. By providing the plants for landscaping of public and private land will contribute to reaching the target of reduced emissions by 50-60 per cent by 2025 in the ACT.

Glasshouse 34 is the oldest in the row of ten glasshouses at the Yarralumla Nursery. The glasshouse had a decayed timber frame and the structure was assessed as a high safety risk and urgent works were undertaken to restore the structure to make it safe and functional.

Construction on works to restore Glasshouse 34 commenced January 2023 and included extensive carpentry framing refurbishment and glazing refurbishment, the removal of lead paint and asbestos, installation of thermal blinds and new irrigation, upgrading of internal drainage system and the installation of new rolling benches.

Construction was completed in June 2023. The restoration of the unsafe glasshouse conserves the heritage value and has an expected life of 40 years.

*Image: inside Glasshouse 34 at Yarralumla Nursery.*



and the existing depots are now operating well above their design capacity.

New population centres in Gungahlin, West Belconnen and Molonglo have now been developed and there has been significant urban infill along major transport corridors. The resulting additional demand means that Transport Canberra can no longer effectively meet expectation with just two bus depots. In November 2018 the Territory entered into an agreement with Richard Crookes Constructions to design and construct the new Woden Bus Depot under a GC21 Contract in two phases.

Phase 1 works are complete and comprised: demolition of existing buildings, decontamination of the site and removal from the Decontaminated Sites Register, and the relocation of water and sewerage services.

Since February 2022 the project has proceeded through Building Approval (BA) documentation stage, Development Application (DA) Amendment submission, with construction commencing in early August 2022. Design for the upgrade of the Woden Bus Depot is progressing and expected to be completed in coming months. Construction of the Depot has already commenced with bulk earthworks and in-ground services installation works currently underway.

Phase 2 of the Woden Bus Depot project when completed is expected to house in excess of 100 bus parking bays, workshops with bus maintenance facilities including 14 service bays, tyre change, cleaning bay, storage spaces, workshop administration and staff amenities. It will also comprise of separate two-storey operations building, on-grade staff carparks at Bellona Court, one being on an additional site adjacent to Bellona Court, across Paramatta Street and provisions to accommodate a zero-emissions bus fleet in the future, responding to the Government target of zero Government transport emissions by 2045. The associated administration building is expected to require around 200 staff involved in the operation and maintenance of the ACTION Bus Fleet.

Key achievements for phase 2 include:

- > Design for the Workshop Plant and Equipment, Security and IT requirements are currently underway and on-going.
- > Structural design of the main buildings and other structures.
- > Development Application of the second car park submitted to EPSDD and were assessed.

- > Stormwater Infrastructure repair works have recently commenced and are nearing completion.
- > Bulk earthworks and piling works associated with the Bus Depot structures are currently underway.
- > The scope of several elements (including zero emissions bus infrastructure, workshop plant and equipment, and security and IT requirements) of the Bus Depot were not fully known at the time of the approval for construction of the WBD. These costs are now being captured as the design develops and will result in significant cost overruns on the project. In addition, the recent need to repair the stormwater infrastructure and the need to dispose contaminated material discovered on site has put constraints on the budget.

### Priorities for 2023-24:

- > Deliver upgrades and increased maintenance activities to the path and cycle networks to improve accessibility and connectivity.
- > Construction of a new bus depot in Woden.
- > Deliver new and upgraded active travel infrastructure including progressing design and construction for the Garden City Cycle Route, Lake Ginninderra path upgrades and design of improved active travel links in the Gungahlin Town Centre and through Kingston.
- > Continue delivery of several school programs to support active travel around schools, namely the Active Streets for Schools, Ride and Walk to School, It's Your Move Safe Cycle and School Crossing Supervisor programs.
- > Continue the School Safety Program for design and safety improvements at priority intersections in the ACT and for key safety programs and improvements for schools.
- > Continue designs and infrastructure planning to further the development of the Southern Memorial Park as well as detailed design for the Gungahlin Memorial Hall and Condolence Lounge buildings (read more at [Cemeteries and Crematoria Authority Annual Report 2022-23](#)).
- > Progress delivery of infrastructure to support Land Release in the ACT including William Hovell Drive duplication, the Molonglo River Bridge and Athllon Drive duplication.
- > Finalise the procurement of a Design and Construct contractor for the delivery of a grade separated interchange at Lanyon Drive on the Monaro Highway, which will see completion of detailed design progressed with major works on the upgrade to commence in 2024.

## Infrastructure Planning

Infrastructure Planning is the business unit responsible for supporting the operational areas of City Services in the planning and management of open space and public municipal infrastructure assets.

In 2022-23, Infrastructure Planning led the development of the new Strategic Road Maintenance and Renewal Program to keep our roads in good condition over the long-term. A road network that is in good condition supports safe travel and reduced total transport costs, including reduced costs to government (e.g., maintenance) and road users costs (e.g., vehicle operating and maintenance costs). In turn, reliable, safe and comfortable transit, combined with reduced costs to government, business and the community, increases community satisfaction.

Data around gifted and newly constructed assets was captured and incorporated into the TCCS Asset Management System.

Infrastructure Planning sought funding from the Australian Government through a variety of programs including the Local Roads and Community Infrastructure program. Other achievements included updating the community path warrant assessment process to prioritise requests for missing links and publishing numerous Engineering Advisory Notes to industry associated with improvements to municipal infrastructure standards and specifications.

## Priorities for 2023-24:

- > Review of Standards and Specifications for flexible pavements.
- > Improve the use of recycled content and sustainable materials.
- > Work with relevant Australian Government departments to seek funding for initiatives in the ACT.
- > Development of business cases for consideration for the 2024-25 Budget.
- > Continue to capture gifted and newly constructed asset data into the TCCS Asset Management System.
- > Path and cycle networks improvements.

## Development Coordination

The Development Coordination Branch is responsible for multiple planning and development related functions including coordinating the review and assessment of planning and development proposals, detailed design assessment and inspection of public infrastructure assets constructed by other ACT Government agencies and the private sector.

The branch is also responsible for the [TCCS School Safety Program](#), parking policy and planning, traffic modelling and strategic transport planning projects, and functions to support the [ACT Government's Disruption Taskforce](#).

### *In focus: New Strategic Road Maintenance and Renewal Program*

The ACT Government manages more than 3,200 kilometres of sealed roads throughout the Territory. Development of the new Strategic Road Maintenance and Renewal Program will keep our good roads in good condition over the long-term.

High rainfall with successive la Nina weather events placed significant strain on the condition of ACT's roads, evident through potholes.

Transport Canberra and City Services undertook extensive investigation with the Australian Road Research Board (ARRB) during 2022-23. This included reviewing and optimising intervention targets for the development of a new Strategic Road Maintenance and Renewal Program.

The intervention triggers for cracking and road roughness have been amended to reflect a higher level of service, which will result in intervening earlier to maintain our roads. This supports TCCS to provide a safe, smooth ride, and minimise whole of lifecycle costs for both the road agency and road users as a whole.

Increased investment in the annual road maintenance program will see resurfacing of the network increase by 268,000 square metres a year from the 2023-24 financial year. This means more than 1.26 million square metres of road will be resurfaced annually from next financial year (currently one million square metres).

A road network that is in good condition supports safe travel and reduced total transport costs, including reduced costs to government (e.g., maintenance) and road users costs (e.g., vehicle operating and maintenance costs). The key benefits of this strategic investment program are reduced total transport costs, improved safety, and increased community satisfaction.

## Disruption Taskforce and Major Project Coordination

The [ACT Government's Disruption Taskforce](#) is managing the traffic impacts of the construction of raising of London Circuit, Light Rail Stage 2A and other public and private sector projects in the City Centre. The Development Coordination Branch oversees coordination of Taskforce activities to ensure effective analysis of impacts and mitigations, collaboration and management of project interfaces, accurate and timely communication, and reporting between government directorates on key programs of work.

In 2022-23, the Taskforce implemented an interventions program aimed at easing the impacts of construction and reducing the flow-on impacts across the entire road and public transport network. These interventions included physical traffic interventions such as new traffic lights, improved traffic light monitoring, path upgrades and route diversions and [Park and Ride](#) facilities. The Taskforce is also supporting the launch of the [Rethink your routine](#) behavioural change campaign, encouraging Canberrans to consider public

transport and active travel alternatives to relieve road congestion. This included the development and launch of a [workplace travel toolkit](#) to support businesses in planning, promoting, adopting and supporting sustainable workplace travel options.

Major Projects Coordination included supporting Major Projects Canberra (as the delivery agency) on project requirements, design review and acceptance and other project governance relating to raising of [London Circuit and Light Rail Stage 2A](#).

## Transport and Parking

During 2022-23, the Development Coordination Branch completed the Gungahlin Reference Traffic Model to underpin planning, development and infrastructure projects in these areas. It also completed the 2022 Household Travel Survey and Stage 1 of the Canberra Strategic Transport Model enhancement which included updates to zoning, networks and volume-delay functions, multiclass traffic assignment and capacity constrained public transport assignment.

The Development Coordination Branch completed stages 1 and 2 of the Multimodal Network Plan

### *In focus: Disruption Taskforce guides city shaping projects*

The multi-agency [Disruption Taskforce](#) was established in 2021 to oversee the development and delivery of a comprehensive disruption management strategy which is aimed at supporting the Canberra community during construction of public and private sector projects within the City Centre.

The Taskforce developed a program of interventions to respond to the first phase of traffic disruption from the construction of the Raising of London Circuit project which is currently underway. This program is consistent with similar disruption management strategies that were implemented in other jurisdictions such as the Sydney Disruption Coordination Office that was established for George Street light rail.

The interventions program is now mostly complete or ongoing. These interventions were broadly grouped into categories of better access to existing services, road capacity improvement, travel demand management, improved traffic operation, and communications and media.

New traffic lights have been installed at the Coranderrk Street / Parkes Way roundabout that have considerably improved eastbound traffic flow on Parkes Way by controlling the westbound right turn from Parkes Way into Coranderrk Street. Temporary traffic lights at the northern side of Vernon Circle have also been installed to allow safe right-turn movements onto Constitution Avenue and London Circuit for buses and other vehicles heading northbound.

In addition, enhanced traffic monitoring capabilities are being delivered to enable the Roads ACT Traffic Management Centre to actively monitor the road network and intervene as required during peak hours. Data collected from the traffic monitoring network is also used to communicate messages about congestion and traffic incidents to motorists.

The Taskforce continues to enhance disruption management strategies to respond to future infrastructure projects in the city over the next decade.



Image: map depicting route of Light Rail Stage 2A

(MNP) which will provide a transport network plan that will support achieving the vision and objectives of the [ACT Transport Strategy 2020](#).

The development of the Movement and Place Framework commenced with the aim to finalise it early in the 2023-24 financial year. The Framework is intended to be used as guidance for urban and transport planners to ensure that the desired network function and local needs for people and communities is well-balanced. This is in recognition of the principle that the transport network is not just about movement of people and goods but also about places where people spend time doing various activities.

The annual program of parking surveys was completed for the City Centre, Belconnen Town Centre, Gungahlin Town Centre, Tuggeranong Town Centre, Woden Town Centre, Dickson Group Centre and areas of Yarralumla including the Local Centre.

Strategic and governance working groups continued to steer transport and traffic modelling across the ACT Government to ensure consistent planning, development and infrastructure investment decisions.

## Industry engagement and schools coordination

The 2022-23 period saw increased collaboration with industry through the formation of the Joint TCCS and Industry Waste Working Group and the development of an extensive industry stakeholder database through which updates to industry on revised TCCS Standards, Codes and Guidelines and programs of work are now provided.

The Development Coordination Branch continued to deliver the [Ride or Walk to School](#) and [It's Your Move Safe Cycle](#) programs in-house, with the coordination of active travel events, newsletters and teacher professional learning sessions with participating ACT schools. Development Coordination Branch also continued to deliver the [Active Streets for Schools program](#), which included delivering infrastructure improvements around schools including the roll-out of pavement stencilling, and the School Crossing Supervisor Program, which provided supervisors at 25 school crossings in the ACT.

## Processing of applications for land development works

In 2022-23, the branch continued to support land release programs with the release of 2,400 blocks to the community in Whitlam, Denman Prospect, Ginninderry, Taylor and Jacka.

During 2022-23, Development Coordination Branch received a total of 4,373 land development submissions. The total number of submissions includes planning submissions, pre-Development Application plans, Development Applications (DA), Building Applications (BA), post DA submissions and Landscape Management and Protection Plans (LMPP).

DA submissions have a statutory turnaround time of 15 business days. BA timeframes are also 15 days. The total number both of DA and BA land development submissions processed in the reporting period was 2,874 with 1,788 (60.74 per cent) of these processed within the target timeframes.

Post DA submissions, including Design Review, Operational Acceptance and Final Acceptance have a 20-business day turnaround time agreed with the industry. At total 654 submissions were received with 595 processed and 378 (64 per cent) processed within the target timeframe.

## Priorities for 2023-24:

- > Develop a Gungahlin Transport Plan that will identify the infrastructure and service priorities required to cater to the region's growing populated and transport needs.
- > Complete remaining stages of the Multimodal Network Plan (MNP) to inform and support future transport business cases and strategic objectives in the ACT.
- > Complete and implement the Movement and Place Framework.



Image: an 'Active Streets' stencil on a popular path in Torrens to promote walking and riding to school.

- > Ongoing coordination and support of key government projects including Raising London Circuit and Light Rail Stage 2A and 2B projects and private sector development proposals.
- > Progress Canberra Strategic Transport Model Enhancement Stage 2 (Recalibration).
- > Complete major review of ACT Transport Impact Assessment (TIA) Guidelines and embed industry awareness.
- > Undertake analysis and communication of findings from 2022 Household Travel Survey.
- > Complete 2023 parking surveys and support Electric Vehicle Charging arrangements for the various activity centres, including assessment of proposals to install chargers within ACT Government car parks.
- > Ongoing support to schools through the School Safety Program, liaising with school communities in response to traffic management and safety concerns and delivering infrastructure improvements and education resources to support and encourage students to walk or ride to school.
- > Commission and facilitate review of the [TCCS Waste Code](#).

## Output 2.2 Library Services

Libraries ACT provides information, literacy, and learning activities to the people of Canberra through nine public libraries and online resources. Libraries ACT also acquires, preserves, and makes assessable information created by, and about, Canberra and Canberrans through the [ACT Heritage Library](#).

The Canberra community highly-values public libraries and the number of visits to library branches increased by over 16 per cent in the 2022-23 period. Membership has also increased, especially in the latter half of 2022-23, growing to 211,155.

Libraries ACT's public programs continue to attract Canberran's with 91 per cent of surveyed attendees stating activities had met their learning outcomes. Customer satisfaction with Libraries ACT also remains very high at 93 per cent of people surveyed.

Customers have altered their interaction with library services in recent years, with increasing use of reservations and digital resources reducing time spent in physical visits to the library. Notwithstanding, the population of Canberra continues to grow rapidly and the ACT Government is investing in the design of a new library for the growing area of Molonglo, with a process to co-design the new facility with the community expected in 2023-24.



## Collections

Libraries ACT added 70,597 new items to the collection in 2022-23, with 69 per cent of the overall collection having been purchased in the last five years. Of these new purchases, 95 per cent of items were loaned out within their first 12 months of availability.

Libraries ACT targeted collection development activities to Children and Young People in 2022-23; with 25,108 (35 per cent) of new items purchased for this group.

## Digital and print resources expanded

Libraries ACT's collections were extensively renewed in 2022-23, with a refresh of popular and classic titles, and books missing from series in both Adult and Junior collections.

Four new digital resources were also added in the last twelve months: Beamafilm, Comics Plus, Novelist Plus and Creative Bug. Both Beamafilm and Comics Plus complement existing physical DVD and Graphic Novel collections. Additional digital titles were added to existing resources BorrowBox and Libby, adding 6,000 new e-audiobooks and e-books to the Libraries ACT collection.

Usage of these digital formats grew by an average of eight per cent in 2022-23. The Collections team, in collaboration with the Family Literacy Coordinator, also overhauled the entire First Readers collection to make it user friendly, and to better meet our customers' need to find books at appropriate or required reading levels.

Further reviews and purchases are planned for the collection in 2023-24, including those that service key community sectors like Culturally and Linguistically Diverse, disability, and Aboriginal and Torres Strait Islander communities.

## Lifelong learning and programs that engage readers across the community

Libraries ACT actively supports lifelong learning, connecting people across Canberra with information, ideas, and practical skills. Various programs support learning outside formal education pathways, with both online and face to face programs delivered to the public.

Libraries ACT participated in the [Australian Library and Information Association's 2023 National Simultaneous Storytime](#), which attracted hundreds of visitors across nine sites to read the 'Speedy Sloth'. During the event, several local sporting identities read to families and encouraged reading while speaking to the themes of the book.

Libraries ACT was the exclusive Canberra provider in 2023 for live streamed events from The Sydney Writers Festival. Sessions were streamed live across three locations. Featuring well-known authors, these sessions provided access to thought-provoking literary, political, and societal discussions to those previously excluded due to distance or cost.

School holiday programming has returned to pre COVID levels, with 374 individual programs made available during the 2022-23 school holidays. Programming has also focused on inclusivity, with Sensory Storytime sessions aimed at neurodivergent children run at Kippax and Belconnen branches, and an increase in English Conversation classes and Bilingual Storytimes. These sessions featured stories in Hindi, Mandarin, Bangla, Vietnamese, Cantonese, Indonesian, Thai, Farsi, Dari, Arabic, and Spanish.



Image: Canberra Raiders player Jamal Fogarty reads 'The Speedy Sloth' at Gungahlin Library as part of Simultaneous Storytime.

## Library IT and infrastructure upgrades

Libraries ACT have made major improvements to both public library software and infrastructure. Upgrades to the public personal computers (PCs) were completed; with a roll out of new PCs, a combination of touchscreen and large screen monitors, new scanners, upgraded software from Windows 7 to Windows 10, and access to some Adobe products being provided. In March 2023, the Library Management System was also upgraded, allowing for the implementation of new and improved functionality, including improvements



Image: a child reads a 'First Reader' book, one of the 25,000 new items Libraries ACT added for children and young people in 2022-23.

to the Book Group and Events modules, and new capabilities that will be released in 2023-24 including auto renewals and customer communications.

## Mystery Box and Home Library Service

The [Mystery Box delivery service](#) which delivers a monthly selection of books straight from the library to the customer's door, continues to be highly valued by the community, with 66,857 loans in 2022-23. Selections are based on the customer's profile, matching their preferred subject or genre, format type and audience age. Loans of children's materials continue to make up more than half of the service figures (54.4 per cent of loans), highlighting the value Mystery Boxes provide busy families.

Home Library Service now provides deliveries to childcare and detention facilities in addition to individuals, aged care facilities and mental health service, with 39,859 items provided to 277 Home Library Service customers in 2022-23.

## ACT Heritage Library connects Canberra to its past

The [ACT Heritage Library \(ACTHL\)](#) has built upon its outreach initiatives in 2022-23 and has formed valuable community relationships, connecting with individuals and organisations, and increasing the

donation of materials significant to the community of Canberra and region. Donations have covered a wide range of formats: maps, Grey Literature, records, letters, podcast episodes, photographs, and ephemera, as well as more formal publications, including:

- > 8,158 books, reports and serials in physical, and in digital format, added to the collection, many of which were deposited via National eDeposit (NeD);
- > 1,600 images of the 2003 Bushfires were added to the catalogue for public access from 6 archival collections; and
- > 173 oral history interviews were added.

Additionally, ACTHL have digitised several original materials collections held on obsolete carriers, including reel-to-reel film and audio cassette. This work continues to make the collection discoverable and accessible, now and into the future.

ACTHL became the first Australian location for a [UNESCO Memory of the World Knowledge Centre](#). Opening in November 2022, it is one of eight knowledge centres worldwide and contains publications about the Memory of the World program with a particular emphasis on the program in the Australia and Pacific Region.

### *In focus: Libraries ACT – supporting the wellbeing of Canberrans*

Libraries ACT In 2022-23 engaged with the delivery of programs and services that support the health and wellbeing of Canberrans.

In August 2022, the Health Directorate of the ACT Government identified Libraries ACT as a prime location for the distribution of free Rapid Antigen Tests (RAT) to the Community, and Library staff dispensed 51,864 free tests to members of the public in 2022-23.

In partnership with Curtin University, Libraries ACT also delivered [Geri-Fit](#): a strength-training program tailored for individuals aged 60 years and over, which aims to combat growing inactivity among older Australians. The significance of libraries as age-friendly and positively perceived community hubs, and the success of the Geri-Fit program in Libraries ACT highlights the important role public libraries play in impacting and enhancing the health and wellbeing of our older community members. Piloted at Woden Library between May and July 2023, Geri-Fit was well supported by the community. Libraries ACT are expanding this program further in 2023-24.

Libraries ACT have also implemented Automatic External Defibrillators (AEDs) across our ten library locations. As a service that has a wide variety of customers, these AEDs will help Libraries ACT staff provide a higher level of support in emergency situations.



Image: Geri-Fit participants at Libraries ACT.

The ACTHL also increased other public programming, with the development of a Biography Book Club exploring the writing of local Canberrans. This program promotes the archival collection and helps to publicise the Local Author Showcase. ACTHL also participated in the Canberra Heritage Festival, with offerings including Ngunnawal Language workshops, behind the scenes tours and drop-in sessions to introduce NeD.

There has been a large increase in the use of ACTHL Reference Services. These include general libraries queries as well as the more specialist services offered at the ACT Heritage Library. These services, which are offered online, via phone and in person, result in significant contributions to local publications, the dissemination of local history information, and support of local history research critical to interstate and local researchers.

## Priorities for 2023-24:

- > Finalise the Imagining Libraries 2030 strategy and implement items from the Prepare stage of the strategy.
- > Progress the relocation of Civic Library.
- > Co-design a 21st century Molonglo library and community centre.
- > Develop a strategic plan and calendar of public programs and events for the community.
- > Undertake a new procurement for Library materials and source high quality materials for public libraries.
- > Completion of the ACT Heritage's 'A Capital Identity' strategic plan.

## Output 2.3 Waste and Recycling

Waste management is an essential service for the ACT community. ACT NoWaste continues to deliver high quality waste management for over 465,000 residents of the ACT, while also managing waste policy development and regulation of the sector.

In 2022-23, ACT NoWaste oversaw:

- > Over 7.1 million household rubbish and over 3.7 million recycling collections;
- > 80,608 tonnes of kerbside waste sent to landfill; and
- > 33,918 tonnes of household recyclable material recovered.

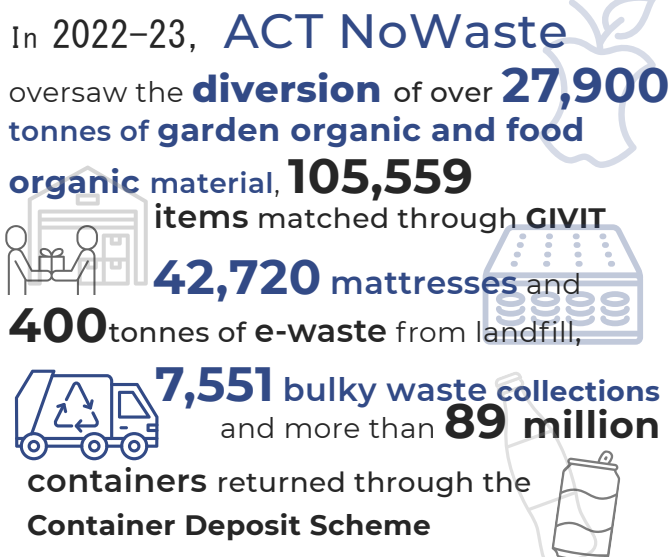
Additionally, 135 tonnes of comingled recycling and 4,268 tonnes of paper and cardboard was collected through the [ACT NoWaste Recycling Drop Off Centres](#).

Garden Organics collections continue to grow in popularity across the ACT, with 5,143 new green bins issued in 2022-23. Over 1.2 million collections were performed and 54.1 per cent of ACT households now have Garden Organics bins. The service collected over 25,612 tonnes of Garden Organics in 2022-23, and the contamination continued to be low at less than 0.1 per cent (by weight).

Over 99,000 Food Organic and Garden Organic (FOGO) collections were undertaken in 2022-23. This equates to over 1,300 tonnes of organic material diverted from landfill.

A total 7,551 Bulky Waste collection services were provided achieving a resource recovery rate of 35 per cent exceeding the key performance indicator of 30 per cent.

In 2022-23, **ACT NoWaste** oversaw the **diversion** of over **27,900 tonnes of garden organic and food organic material, 105,559 items** matched through **GIVIT**, **42,720 mattresses** and **400 tonnes of e-waste** from landfill, **7,551 bulky waste collections** and more than **89 million containers** returned through the **Container Deposit Scheme**



ACT NoWaste continued to administer funding of the not-for-profit organisation [GIVIT](#) in 2022-23. GIVIT acts as a virtual warehouse across Australia, matching donations from people who have items to give to individuals who need them. In 2022-23, GIVIT received 56,245 requests from registered charities and organisations for items, which resulted in 105,599 items being matched with individuals located in South-East New South Wales, covering the ACT as well surrounding local council areas including Yass Valley, Queanbeyan Palerang, Snowy Mountains, Snowy Monaro, Goulburn Mulwaree, Wingecarribee, Eurobodalla and Bega.

ACT NoWaste facilitated a range of additional services to support residents in their recycling efforts, including mattress recycling services, with 42,720 mattresses received in 2022-23. The mattresses are broken down by hand and separated into their different components:

- > The steel springs are compacted into 100 kilogram blocks and transported to scrap metal recyclers for recycling into metal products such as roof sheeting and fence panels.
- > Foam is baled and transported interstate to be used in carpet underlay.
- > Wooden bed bases are chipped and sold to local industry (where there is a market) for mulch or recycled into weed matting.
- > Textiles are recycled into products such as acoustic panelling and for use in research and development activities that inform the design and manufacture of products in a sustainable and environmentally friendly way.

Other recycling included:

- > 242 tonnes of paint collected for recovery through the [National Paintback scheme](#). The paint and packaging are separated with the containers being recycled. The solvent paint is used as an alternative energy source and water is separated from the acrylic paint with the by-product being used in various industrial applications.
- > 400 tonnes of e-waste were collected for recovery through the [National Television and Computer Recycling Scheme](#).

## Waste Audits

In 2022 ACT NoWaste commissioned [waste composition audits](#). The audits involved taking physical samples at different collection points, and separating and measuring the waste material by pre-determined categories. The audits are an important data source to help understand the characteristics of ACT waste, measure the effectiveness of policies and programs, and to inform the development of future strategies, policies and programs. Key findings of the audits were:

- > A reduction in the total eligible [Container Deposit Scheme](#) (CDS) containers found in the red lidded bin, the CDS has reduced the number of containers sent to landfill.
- > A significant reduction in garden waste in the landfill bin. This is attributed to the relatively high take up of Garden Organics collection service by ACT residents.
- > A reduction of Food Organics found in the red lidded bin, especially in the FOGO pilot areas.

### *In focus: Material Recovery Facility Fire*

On Boxing Day, 26 December 2022 a fire broke out at the ACT Material Recovery Facility (MRF) on John Corey Road, Hume. The fire caused extensive damage to the MRF building and equipment, resulting in the facility being deemed a total loss. ACT Fire and Rescue undertook an investigation into the cause of the fire, which determined that the fire was accidental and was likely caused by one or more lithium-ion batteries which were damaged in the MRF waste chute/compactor during normal operations.

As a result of the fire, alternative operational arrangements have been established with the current MRF contractor to ensure the continuation of associated recycling services in the ACT. ACT household recycling collections continued as normal following the fire.

A new MRF will be constructed on the site that will be designed to meet the long-term needs of the Territory, with an interim operation offsite before demolition commenced. A draft Environmental Impact Statement has been put out for public consultation, and a procurement to engage a contractor to design, construct and operate the new facility is being progressed and is expected to be released to market in early 2023-24.



*Image: Emergency Services responders work to contain the fire at the ACT Material Recovery Facility.*

## New Northside Garden Organics drop-off and composting facility

Funding of \$998,000 was provided in the 2022-23 Budget to progress the establishment of a new northside facility to accept and compost garden organics. This facility will replace the existing facility located at the West Belconnen Resource Management Centre (WBRMC). The WBRMC is being rehabilitated and incorporated into the Ginninderry residential development. A further \$7.8 million has been provided in the 2023-24 budget for the land transfer cost between TCCS and the Suburban Land Agency.

In June 2022 the development application was lodged, and public representations closed on Wednesday 20 July 2022, with a reconsideration application lodged in December 2022. The Development Application was open to public notification from 16 January to 6 February 2023.

A presentation to Belconnen Community Council was provided on 17 January 2023 detailing the changes to the project. Following additional comments from residents, the application was amended to address concerns raised. A decision on the application is expected in the next reporting period.

## Landfill gas recovery

The Mugga Lane Landfill contains a system to capture gases created by the decomposition of putrescible waste. Landfill gases consist primarily of methane and carbon dioxide, which are harmful to the atmosphere and therefore require appropriate management. The gas is piped to an onsite power station that combusts the gas to drive turbines that generate electricity that is fed into the ACT's electricity grid.

In 2022-23, 33,151 megawatt hours of electricity was generated from the gas captured at the Mugga Lane landfill, which is enough to power 4,585 homes for one year.

The ability of the Mugga Lane Landfill power station to capture even more landfill gas will be improved in 2024 and 2025 through the installation of additional generators and a new battery storage and distribution system.

### Landfill gas recovery generated

enough electricity to power

**4,585 homes** for one year



## Container Deposit Scheme

The ACT Government continues to oversee compliance of the [Container Deposit Scheme](#) (CDS), which has seen more than 455 million containers returned and recycled through the Network since the Scheme commenced on 30 June 2018. More than 89 million eligible containers were returned through the scheme in 2022-23.

A new CDS Reverse Vending Machine (RVM) was installed in Weston Creek in January 2023 and has shown strong return rates. The 2022-23 year also saw the addition of a RVM on the ANU campus, which offers staff, students and visitors the chance to redeem eligible containers with refunds going to two local initiatives.

The ACT Government is considering expanding the scope of the scheme to include wine, spirit, cordial, flavoured milk and other drink containers in the CDS. In May 2023 local industry, businesses and the Canberra community were invited to provide feedback on the proposal via the [YourSay website](#) over a consultation period of twelve weeks.

Expanding the types of eligible containers would see more containers received through the scheme for recycling and remanufacturing, improving resource recovery and contributing to a circular economy. It will also support a national agreement from Environment Ministers to expand and harmonise the scope of container deposit schemes across Australia by the end of 2025.



## Policy

### Circular economy

The development of a circular economy responds to concerns about resource scarcity, pollution of the environment and the economic limits of patterns of production and consumption. It keeps materials in use for as long as possible, reducing the need to use natural resources.

ACT NoWaste is delivering on the [ACT Government's Parliamentary and Governing Agreement of the 10th Legislative Assembly](#) commitment to create circular economy legislation to, amongst other things, phase out single-use plastics and require businesses to have a separate collection for co-mingled recycling and organic waste collection and a food waste reduction plan. In 2022-23 the process of preparing

the draft legislation commenced, with the to introduce legislation into the Legislative Assembly later in 2023.

In addition, as part of delivering on this commitment the ACT Government released the [draft ACT Circular Economy Strategy](#) in October 2022. The Strategy has five focus areas:

- > food and organics;
- > built environment;
- > consumer goods;
- > emerging and problematic waste streams; and
- > creating space to showcase our commitment to the circular economy.

The Strategy is guided by three strategic objectives to support the transition to a circular economy, representing areas where the ACT Government would like to see action:

- > grow extended producer responsibility;
- > grow markets for recovered materials and goods, and circular business models; and
- > create high value jobs and attract innovative new enterprises.

## Single-use plastics bans

Plastic reduction remains a key priority of the ACT Government. The third stage of single-use plastic bans came into effect from 1 July 2023. The following items are now banned:

- > single-use plastic plates and bowls;
- > expanded polystyrene loose-fill packaging;
- > expanded polystyrene produce trays, for packaging perishable food; and
- > Plastic microbeads in rinse-off personal care, cosmetic and cleaning products.

From 1 January 2024, heavyweight and boutique plastic shopping bags will be banned in the ACT. To inform the development of the bans on these items, businesses, community organisations and individuals provided feedback during a twelve-week public consultation period between 15 September 2022 and 8 December 2022. Prior to the commencement of the bans, ACT NoWaste engaged the National Retail Association to provide support to businesses as they transition to the changes. This support will continue in the build-up to the ban on the heavyweight and boutique plastic shopping bags.

### *In focus: Creating a circular economy for a better future*

The ACT Government has recently developed a Circular Economy Strategy. Embracing a circular economy in the ACT enhances resource efficiency by minimizing waste generation and maximizing resource utilization. Innovative practices such as recycling, remanufacturing, and product design which reduce waste are key priorities of the strategy.



*Image: Spent grain, hops and yeast, by-products of the brewing process, are diverted from landfill and sent to a local farm, for use as livestock feed and compost, by Capital Brewing Co.*



*Image: Timber from historic buildings, houses, wharves and factory demolition sites are reclaimed by Thor's Hammer and transformed into new timber products.*

By embracing circularity, the ACT continues to foster economic growth through the development of business models and industries that focus on resource recovery and sustainable practices. The 'next steps' action plan that will accompany the strategy was developed in consultation with business and industry, by way of YourSay and face to face workshops. This consultation was used to inform the Action Plans that set the direction for both industry and business stakeholders. Creating circular economy legislation is a commitment under the ACT Government's Parliamentary and Governing Agreement of the 10th Legislative Assembly.

## Weighbridge upgrades

In May 2023 ACT NoWaste completed the implementation of new weighbridge management software used at the Mugga Lane Resource Management Centre, Mitchell transfer station and Mugga 2 landfill site.

The new system offers numerous improvements over the previous system, which was at end-of-life, including faster processing times for customers presenting to the weighbridges, a License Plate Recognition functionality, load cameras, an improved EFTPOS integration, greater overall system stability and reliability, and enhanced data and reporting capabilities.

Improvements were also made at each weighbridge site, including replacement of traffic lights where necessary, new License Plate Recognition and load cameras and touchscreen terminals for the weighbridge staff.

## Waste Regulation Management System

In May 2023, ACT NoWaste completed the implementation of the Waste Regulation Management System (WRMS). WRMS is used for administration of the [Waste Management and Resource Recovery Act 2016](#), including waste facility licencing, waste transporter registration, compliance activities and waste data reporting. It provides a customer-facing web portal to reduce the administrative burden on waste management businesses and streamlines back-office processes.

## Education and engagement

In 2022 -23 ACT NoWaste continued to deliver a strong program of '[Waste Sorted](#)' education and community outreach activities. Key achievements of the ACT NoWaste Education and Partnerships team in 2022-23 included:

- > engagement with more than 5,000 FOGO pilot households across Belconnen, Bruce, Cook and Macquarie including virtual and in-person information sessions and pop-up community information stalls at local shops;
- > reaching more than 3,000 residents and students through community outreach, face to face and online recycling and waste sorted engagement activities; and
- > prioritising improved resource recovery in Canberra's Multi-Unit Developments (MUDs) which includes apartments and townhouses. Resources have been developed specific to the unique needs of MUDs. Improvements have been made across 48 MUDs, including updated signage and waste facilities, to support better waste management.

The ACT's [Recyclopaedia web page](#) continues to receive a high volume of traffic serving the community with direction and up-to-date advice on what can be recycled in kerbside recycling bins or through dedicated product specific recycling programs. Recyclopaedia alone received 236,405 unique page views from 108,037 unique users in 2022-23.



Image: food and organic waste, stored in a compostable liner from a kitchen caddy, is placed in a FOGO bin.

In 2023-24 in addition to enhancing the correct use of household collection bins particularly in townhouses and apartments; there will be a focus to promote going beyond the bin using circular economy principles. For the community, this will mean increased education around the importance of waste stream specific behaviours such as responsible disposal of household batteries, and diverting items that don't belong in household bins to enable the resources to be recovered, reused, or recycled.

## Strategic Planning and Procurements

### Material Recovery Facility (MRF)

Due to the fire in the MRF on 26 December 2022 (see [page 49](#)), the decision was made to approach the market through a single stage procurement, Request for Proposal (RFP). The demolition of the existing MRF is to be included in the scope for the procurement and the facility will be built over the existing site and adjacent block.

The Territory has been working on the procurement package with an expected release date to market in late quarter three, 2023. The draft Environmental Impact Statement for the new facility will be lodged by the Territory ahead of the RFP being released to market. An early tender notification was released on the 30 May 2023 to advise the industry of the upcoming tender so interested parties can prepare for the prerequisite requirements of tendering.

### Food Organics Garden Organics (FOGO) Facility

Progress on the FOGO facility's procurement has been affected by priority being given to the new MRF following the Boxing Day fire. Similar to the MRF the FOGO facility will be procured through a single stage RFP. The draft Environmental Impact Statement for the FOGO facility is almost complete and is anticipated to be lodged by the Territory in quarter 3 of 2023.

The development of the procurement package will commence after the MRF procurement has been released to market.

### Asset Management

The Asset Management Team within ACT NoWaste undertook several projects to improve environmental compliance, site amenity and safety for staff and visitors of the facilities. These projects also contributed to these waste sites being fit-for-purpose and in good condition for years to come.

The projects included:

- > a new footpath from Flemington Road into the Mitchell Reusable Facility to improve pedestrian access;
- > upgrades to the Mugga Lane waste truck wheel wash infrastructure, improving its effectiveness at preventing mud and other residual material being transferred to our roads;
- > paper cage repair and painting at Mitchell Resource Centre and the Tuggeranong and Belconnen Drop off Centres (RDOC);
- > pavement upgrades, new line marking and signage at the Mattress Recycling Factory in Hume;
- > upgrades at the Mugga Lane landfill Leachate pump station to improve function and ensure the longevity of the system; and
- > replacement of all fire exit doors at the Mitchell Reusable shed ensuring appropriate building standards are met.

### Major Services Procurements

In 2022-23, the Territory progressed procurements to renew a number of expiring waste services contracts. These include the Mattress Recycling Services request for tender (RFT); the Site Services and Landfill Operations for Mugga Lane Resource Management Centre and Mugga Lane Quarry RFT; the Site Services and Operational Services for Transfer Stations and Recycling Drop Off Centres RFT; the Household Waste Collection Services RFT; and the Reusable Facility Services request for proposal.

These procurements will be completed in 2023-24 and provide the Territory with contemporary contracts for waste and recycling services.

### Priorities for 2023-24:

- > Deliver a final Circular Economy Strategy and Action Plan and introduce a Circular Economy Bill into the Legislative Assembly.
- > Complete the procurements for the new Material Recovery Facility and FOGO Facility.
- > Establish new contracts for household waste collection services, landfilling at Mugga Lane and Mugga 2 Quarry and waste services at the Transfer Stations, Recycling Drop-off Centres, Reusable facilities and mattress recycling facility.
- > Expansion of the Container Deposit Scheme.
- > Identify further single-use plastic items to potentially be banned in future.

## Output 2.4 City Maintenance and Services

The City Maintenance and Services Output encompasses many functions and TCCS business units. They are responsible for the planning and management of parks and urban open space systems, including associated community infrastructure, maintaining the city's look and feel, managing the urban forest and sportsground facilities. The output also covers the provision of advice, education, and compliance services in relation to municipal ranger functions, domestic animal management, animal licensing, and significant tree protection. Yarralumla Nursery is included in this output.

Birrigai Outdoor Education and Accommodation Centre was previously part of TCCS and reported in this section, however on 1 January 2023 became part of the [ACT Government's Education Directorate](#). The Directorate facilitated the orderly transfer of the management of Birrigai, and the development of a Memorandum of Understanding between the two Directorates as to their shared responsibilities in the continued provision of Birrigai Outdoor School's services to the community.

## Urban Land Management

The Directorate continued to deliver a range of maintenance and cleaning services as management normalised following the COVID-19 period, including the regular cleaning of high-use public spaces such as bus interchanges, shopping centres, playgrounds, public toilets and barbeque facilities. The Directorate also maintained 123 memorials and 361 artistic design features including artworks, sculptures, paintings, street arts and murals.

Grass mowing remained a major priority in 2022-2023 with the Directorate mowing approximately 26,205 hectares of public land during the peak growth period of September to April, which lasted one month longer than normal due to seasonal conditions. Multiple passes were needed to cut some areas as the La Niña conditions continued for a third year, promoting long grass growth. Supply chain disruptions in sourcing plant and parts continued to be experienced. An investment of \$1.2 million was made this year to pilot a rapid response mowing team to trial new ways of providing services that meet community need and expectation with regards to mowing, in the extreme weather conditions experienced.

### *In focus: Rapid response mowing crew*

A rapid response mowing crew was trialled in 2022-23 to assist with surge mowing requests due to the third consecutive La Niña event. This 10-person crew complemented existing crews, limiting resourcing being diverted from scheduled activities and ensuring hotspots were responded to faster.

Community service requests through [Fix my Street](#) were triaged as 'inspect, react or regular delivery' with 'react' tasks delegated to the response crew.

In the first half of the growing season from September to December, there were 2,773 Fix my Street mowing requests received and triaged. The response crew actioned line-of-sight safety concerns, representing 19 per cent of the completed requests. They also assisted with roadway mows, delivering 8.5 per cent of total hectare output over this period.

In the second half of the growing season half from January to April, reactive requests reduced as the program got closer to schedule. With diminished line-of-sight requests, the response crew were redirected to take on all roadway mows requested through Fix my Street. They also took over full responsibility of mowing arterial roads in the Woden Weston/ Tuggeranong areas.

The crew actioned 13.5 per cent of the completed Fix my Street rate for this season half. By mowing southern arterial roads, they delivered nearly 30 per cent of the total hectare output achieved in arterial road mowing over this half of the season.


Funding continues for the 2023-24 season.

*Image: Rapid Response Mowing Crew member.*



Canberrans were kept up to date with the [mowing program via a live online map](#) which shows areas mown in the last week, and places scheduled in the coming two- and three-week periods.

**26,205 hectares** of public land was **mown**, during the **peak growing season**



TCCS continued to deliver weeding and horticultural maintenance services to ensure amenity, accessibility, and community safety across the city. Litter picking services remained a priority across Canberra, with clearing of illegal dumping now an ongoing priority due to an 80 per cent increase in Fix my Street community complaints this year about dumping on public land, verges and in laneways. Following investigation, the Directorate cleared a total of 891 medium and large dumps in 2022-23.

Collaborations continued in the [Street art and Graffiti program](#) with support offered to other government agencies, community organisations and property developers to paint vibrant walls

and surfaces across Canberra. Key projects included Hughes Primary School creating fantasy-based mural tunnels, Holt Microforest group commissioning a Nggunawal artwork at Holt bus stop, and the creation of an eye catching Sunsmart mural in Weston Creek with the Cancer Council.

Higher incidences of graffiti damage on public assets were reported this year – up from 17,985 in 2021-22 to 29,000 which resulted in over 39,700 square metres of surfaces being cleaned.

TCCS inspected its [522 playgrounds at least fortnightly](#) with repairs carried out as required. The [playground upgrades program](#) delivered by the Directorate continued with over 500 cubic metres of certified mulch soft-fall spread-out across 26 playgrounds; rubber soft-fall repaired at 17 playgrounds; 17 platforms and two decks refurbished at five playgrounds; fences and gates repaired at 18 playgrounds; ten shade sails replaced at eight playgrounds; and playground borders repaired and replaced at four playgrounds.

The Directorate delivered horticultural services with the full Floriade program returning in 2022-23 with the theme of ‘Sounds of Spring’.

#### ***In focus: European Wasp Queen Trapping Program: from innovative trial to standard practice***

[European wasps](#) can cause house damage as a queen sets up a nest in a wall cavity. Nuisance wasps prevent the public from enjoying parks and picnic areas as wasps forage in large numbers. At cafés, they can feed from plates increasing stinging incidences.

Wasps reached a record high in 2020-21, with 1,111 nests identified and destroyed. Each nest is able to produce 1,000 next generation queens the following Autumn.

TCCS had a proactive approach to managing European Wasps but wanted improvements. It collaborated with Core Enviro Solutions to develop a European Wasp Spring Queen Trapping Program that prevents wasp nests developing by trapping queens as they emerge from hibernation. The initial trial in Spring 2021 captured 539 queens, preventing an estimated 2.1 million additional European wasps impacting the Canberra community.

The Spring 2022 program saw 150 non-toxic, non-chemical lure trap stations deployed in ‘hot spots’ around Canberra. The program trapped a further 1,551 wasp queens, preventing approximately 6.2 million more wasps impacting the lives of Canberrans.

Costing around \$25,000, the program is now delivered annually by TCCS and EPSDD have since adopted the TCCS-developed methodology and conducted their own spring Queen Trapping trails at Jerrabomberra Wetlands Nature Reserve and Tidbinbilla Sanctuary.

*Image: a TCCS member wearing full protective clothing with a European Wasp in hand.*





Image: Street art by Edward 'Eddie' Mowat on a legal graffiti practice site in Woden Town Square

Support was provided to 86 active volunteer groups registered within the Urban Parks and Places volunteer program. The delivery of the 2022-23 Adopt a Park Community grants program continued to enhance the program experience and outcomes.

Members of five Aboriginal and Torres Strait Islander organisations were engaged to provide guidance from traditional custodians about opportunities to incorporate culture, community and indigenous business into city maintenance and services.

A trial of traineeships as a pathway into field operations was conducted in 2022-23, with the first intake starting in April 2023, commencing an 18-month development program.

Invasive pest and weed programs continued with urban rabbit monitoring on targeted population sites showing significant population increases on most sites since 2020. Death cap mushroom monitoring this season resulted in a total of 9,206 mushrooms being collected, down from the previous season total of 10,887. European wasp monitoring and control programs continued throughout the year (see [page 55](#)).

The Directorate continued to maintain the health of 158 lakes, ponds and wetlands across Canberra by removing floating ribbon weed from Yerrabi Pond and removing native Azolla plants where excessive surface coverage occurred in other ponds and wetlands. The lake cleaning initiative also removes litter and organic debris from the ponds and lakes before it gets washed downstream into the river system.

### Priorities for 2023-24:

- > Continue the delivery of the mowing services, complemented by the continued provision of the Rapid Response mowing crew.
- > Improve the safety and efficiency of operations

alongside roadways through an uplift trial of traffic management controls, funded for a year.

- > Implement improved practices to manage grass clippings effectively, to reduce nutrient load and protect the health of local waterways.
- > Continue to collaborate with the Environment, Planning and Sustainable Development Directorate (EPSDD) to put a greater focus on the value of environmental volunteerism and provide further support to those involved.
- > Develop a street art commission toolkit and street art policy to mature the program delivery.
- > Complete community consultation relating to the Urban Open Space Land Management Plan and formalise the document.

## Managing the urban forest

City Services managed [Canberra's renowned urban forest](#) of over 823,500 trees on public land. Maintenance work included watering young trees using reclaimed water from urban lakes and ponds, general and formative pruning, and tree replacement. More than 23,910 young trees were watered throughout the warmer months from October 2022 to April 2023.

### Tree Planting Program

City Services continues to strive towards the [Urban Forest Strategy](#) target of a 30 per cent tree canopy cover in the ACT by the year 2045. In 2022-23, a total of 12,650 trees were planted in the urban environment, including 11,680 street trees and trees in open space planted as part of the TCCS tree planting program, and an additional 970 trees provided during community engagement events to increase tree canopy cover and improve biodiversity in local schools, park and recreation areas, and on leased land.

The City Services in-house planting team planted 4,384 trees in 2022-23 and directly supported the planting of 612 trees in parks and other open spaces in partnership with community volunteer groups. City Services' contractors planted 6,684 trees across the year.

A total 5,211 trees were planted in street verges and laneways and 6,469 trees in parks and urban open space.

Over 910 public suggestions for tree planting locations were received through the YourSay interactive map in 2022-23 and 1,704 trees were planted on suitable sites in response. Since the YourSay interactive map was launched in 2020, a total of 4,606 tree planting location requests have

been received and 4,150 trees have been planted in response to YourSay requests.

In response to Ministerial requests and requests received through the Fix My Street online form, 654 trees were planted.

An additional 1,909 young trees planted as part of the development of new suburbs were handed over to TCCS for ongoing management.

### Tree planting data

In total 12,650 trees were sourced and planted by Urban Treescapes or via partnerships, achieving 70 per cent of the annual target of 18,000 tree plantings.

The percentage of trees planted during the 2022-2023 financial year falls short of the annual target to plant 18,000 trees. The variance has been caused by a variety of factors including procurement delays, limited contractor availability at a value for money cost, persistent wet weather impeding access for planting, limitations on suitable planting sites due to planting restrictions, refusal of street tree plantings by adjacent residents, and staff turnover within the Urban Treescapes' Programs team.

To address the issues that have led to the variance, Urban Treescapes increased the size of the in-house planting team to provide additional staff to plan and undertake tree planting and help make the tree planting target less vulnerable to limitations in the market. It is expected that the target will be achieved early in the new financial year.

## Community Engagement

City Services organised and facilitated [Canberra Tree Week 2023](#) from 29 April to 7 May. The successful event included 48 diverse and engaging activities such as guided walks, talks, a children's drawing competition, a tree trail through the city, exhibitions, and poetry readings. Events were

In 2022-23, TCCS managed over **823,500** trees and **planted:**

**6,469** in **parks & urban open spaces**

**1,704** in **response** to **public suggestions**

**612** in partnership with **community volunteer groups** and **970** as

part of **community events**



hosted by 19 organisations and individuals across Canberra, in neighbouring regional NSW and online.

Support for volunteer tree management groups continued with 20 groups involved in tree planting activities across all districts of Canberra in 2022-23. These groups also undertook species selection and planting design, data collection for mapping, young tree maintenance, formative pruning, and habitat restoration weed management, adding value to the regular maintenance activities of 86 active urban land care volunteer groups currently supported by TCCS.

Urban Treescapes delivered 1,316 cubic metres of mulch to meet 81 requests from community groups to support maintenance activities. Multiple truckloads of logs were delivered to six schools for installation in nature-based playgrounds.

In 2022-23, City Services received 11,014 tree related enquiries through the Fix My Street online form.

## Recycling and Maintenance

A total of 340 square metres of flexible porous paving was repaired and/or installed around trees in five locations across urban public space in Canberra, including Gungahlin Town Centre, Alinga Street, London Circuit and Bunda Street. In many cases, the size of the original tree pits was enlarged by removing impervious paved surfaces and replacing with porous pavement. This work addresses trip hazards while improving growing conditions for trees, and also reduces surface run-off into stormwater drains.

Urban wood waste was extensively recycled to produce mulch during 2022-23, through general in-house tree maintenance activities, contractor tree removals and the Belconnen storm clean-up. This mulch was used by City Services on the urban estate for garden beds, tree wells and weed management and by volunteer groups and community organisations in planting and restoration projects.

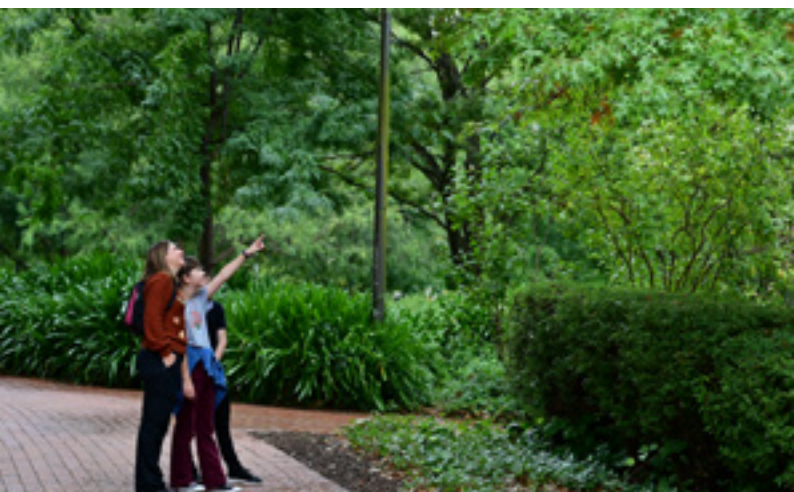


Image: 'Trees of the City Trail' for Canberra Tree Week.

Large logs were salvaged for use as coarse woody debris in nature reserves and in urban green space and both mulch and logs were used to support the creation of nature play in schools and on unleased land, e.g., Haig Park in Braddon (re-activation project), Florey Primary School (nature play) and Orana Steiner School (bush playground). Salvaged logs were also provided to be milled for school woodwork projects at Orana Steiner School in Weston and Harrison Public School in Gungahlin.

## Tree Protection

Urban Treescapes received 2,577 requests relevant to the [Tree Protection Act 2005](#) which included 2,181 tree damaging activity applications relating to 4,263 trees, and the team provided advice on 396 Development Applications relating to regulated trees.

TCCS maintains a [register of trees](#) which are important to the community and protects trees of exceptional value within our urban forest. In

2022-23, 65 additional nominations were received with 184 individual specimens and 42 tree groups currently protected across the region.

Urban Treescapes reviewed 1,041 design and development proposals for works on public land to protect existing trees during development and provide technical guidance on landscape design and new tree plantings.

The [Tree Protection Act 2005](#) will make way for the [Urban Forest Act 2023](#), see the In Focus item.

## Special Projects

In 2022, Urban Treescapes worked with the National Capital Authority, the Commissioner for International Engagement, and the Friends of Nara Park to assist with the site selection and planting of commemorative trees for the Shinzo Abe Memorial in Nara Park, unveiled by Deputy Head of Mission, Embassy of Japan to Australia, Mr Tadaatsu Mori, on 15 December 2022. The event was attended by

### *In focus: Urban Forest Act 2023*

Following an extensive review of the [Tree Protection Act 2005](#) and introduction of the [ACT Urban Forest Strategy](#), the ACT Government introduced new legislation to further strengthen and improve how we manage trees. The [Urban Forest Act 2023](#) will repeal and replace the [Tree Protection Act 2005](#) to improve tree protection on both public and private land and encourage shared care of trees by the ACT Government, industry and the community and was passed in the legislative assembly on 30 March 2023. The legislation will come into effect on 1 January 2024 allowing time for the Government to work with the community and industry to raise awareness of what is changing under the new legislation and how it affects residents and businesses as well as building a new Information Technology system to implement the reform.

The key changes introduced by this Bill include:

- > introducing new requirements to ensure when trees are approved for removal, they are replaced through new planting. Where new planting is not possible, a financial contribution will be required which will go towards growing, supporting, and maintaining the urban forest.
- > reducing the size requirements for protected trees on leased land, protecting dead native trees to retain significant habitat elements and protecting trees of any size located on public land.
- > introducing a tree bond system to ensure trees are not damaged during construction work as our city continues to grow.
- > expanding the [ACT Tree Register](#) which celebrates and protects our most significant trees.
- > improving the compliance provisions including introduction of penalties for people caught damaging a tree or breaching a tree protection plan or direction.

The Act provides a significant step forward in environmental management and climate change adaptation in the ACT and supports the 30 per cent canopy cover target under the [ACT Climate Change Strategy](#) and [Canberra's Living Infrastructure Plan](#). It will enhance the liveability of the ACT by protecting the health of the community by preventing environmental degradation.

Transport Canberra and City Services Urban Treescapes team have established an implementation taskforce to ensure the department is ready to administer the legislation on 1 January 2024 and to provide education and communication to the community, industry and other government agencies on their roles and responsibilities under the new legislation so we can all work together to protect, enhance, and grow our urban forest now and for future generations.

the Assistant Minister for Foreign Affairs, the Hon Tim Watts MP, The Speaker of the ACT Legislative Assembly, Ms Joy Burch and other dignitaries.

Urban Treescapes also assisted the ACT Human Rights Children's Safety Commissioner's office with the selection and siting of a Children's Wellbeing Tree presented to Ms Rachel Stephen-Smith MLA, Minister for Families and Community Services, by Ms Jodie Griffiths-Cook, ACT Children and Young People Commissioner, on behalf of the children and young people of the ACT as part of Children's Week 2022. The tree was planted in Glebe Park.

Urban Treescapes planned and facilitated the removal of the dead *Pinus radiata* and other pest species and aged trees in front of the Albert Hall during March and April 2023. The project required significant community and stakeholder engagement and forward planning as the opportunities to undertake the work were very limited. Grass seed was sown in early June and replacement trees will be replanted between Spring 2023 and Autumn 2024 after the spring weed regrowth has been cleared, and the landscape plan has been presented and agreed to by all stakeholders, including ACT Heritage, the National Capital Authority, TCCS Place Management, the Yarralumla Residents Association and the Friends of the Albert Hall.

### Priorities for 2023-24:

- > Implement the [Urban Forest Act 2023](#).
- > Continue audit work to update data on the condition of Canberra's urban forest by capturing and analysing high resolution multi-spectral aerial imagery that indicates the health and condition of public trees.
- > Finalise and ratify a new City Services Tree Management Policy.
- > Continue to provide quality services in response to community requests for tree planting and maintenance, and applications under the *Tree Protection Act 2005* and the *Urban Forest Act 2023*.
- > Plant 20,000 trees in 2023-24.

## Sport and Recreation facilities

The Directorate is responsible for the ongoing management and maintenance of the Territory's community sportsgrounds and associated facilities and the delivery of new sporting infrastructure.

During the 2022-23 reporting period, TCCS maintained playing surfaces, irrigation systems, pavilions, and other facilities such as floodlights, across a range of oval configurations to ensure the ACT's sporting facilities were safe and fit for

purpose. This included management of 444 hectares of public land, including 284 hectares of irrigated grass and 160 hectares of dry land grass and 72 grounds with 408 individual sporting poles, posts or goals which require maintenance and installation changes throughout the year to accommodate sporting seasons. The Directorate also managed and maintained three Community Recreational Irrigated Parks at Crace, Franklin and Moncrieff.

The Sport and Recreation Facilities team worked hard to deliver a wide range of initiatives, with 2022-23 seeing enhancements to contract and lease management practices, financial allocations and debt recovery processes. Projects delivered include:

- > Water pit upgrades at Bonner, Rivett, Amaroo and Boomanulla sporting grounds.
- > New perimeter fences at Boomanulla and Kaleen enclosed ovals.
- > Light upgrades at Boomanulla, Watson, Nicholls enclosed oval, Mawson, Kambah and Hawker softball oval.
- > New drainage at Nicholls enclosed oval and Hawker softball oval.
- > Four bay cricket nets at Taylor oval.
- > Shaded seating at Phillip Oval 4.
- > A complete refurbishment/upgrade was undertaken at the Holt Pavilion including new disabled toilet and new infrastructure for the change rooms, and umpire rooms.

A further five sportsground pavilions (i.e. small buildings incorporating toilets, change-rooms and canteens for public use) were upgraded as part of the Female Friendly upgrades. This equates to a total of 32 pavilions upgraded as part of this program.

'Mobile facilities' consisting of solar powered shipping containers were also introduced at the Hall, Taylor and Gordon playing fields and providing changerooms, toilets and a canteen at the three sites.

The Directorate focused on quality management and auditing of sportsground facilities including auditing of lights in February, prior to the winter season to ensure they are fully functional. Pavilions, toilets and mobile seating are also regularly assessed to ensure they remain safe and fit for purpose.

During the 2022-23 period, there were 144,880 bookings requested for formal oval usage equating to 446,028 hours with 189,440 hours being match play bookings.

TCCS continued to work with peak bodies such as Capital Football, AFL ACT, Cricket ACT, Canberra Regional Rugby League and Brumbies Rugby Union regarding sportsground and facility issues. Formal engagement occurs twice yearly to ensure sportsground allocations and requirements are identified for the upcoming sporting seasons. Sporting teams provided positive feedback to a trial of changes to the biannual shutdown period in autumn to allow the continuation and extension of preseason training (see the In Focus item below).

The Sport and Recreation Facilities team conducted the sportsground annual survey to measure community satisfaction with the management of sportsgrounds, with sampling undertaken in April 2023. Results showed 86 per cent of respondents were satisfied with the overall management of the sportsgrounds. Customers identified some areas of improvement noting “ovals not mown on time” and “long grass”.

For the financial year 2022-23, there was an underspend on the irrigation budget due to wetter than normal weather patterns produced by three successive La Niña weather events driving above average rainfall. Excess budget went to upgrading the irrigation capabilities at Philip Oval and other capital works.

The very wet conditions experienced impacted the ability to deploy the required horticultural maintenance to keep our fields performing at their best. The continuation of the wet weather into the

cooler months presented a particular challenge as grounds became more susceptible to damage by users. This extended timeframe for turf repair processes and slow or nil grass growth due to colder conditions along with the wetter than normal soil profile limited the ability of machinery and equipment to access the grounds.

## Priorities for 2022-23

- > Make more sporting pavilions female-friendly to further encourage women and girls to participate in organised sport.
- > Improve both efficiency and the quality of the services provided and ensuring safety and wellbeing of both staff and the community, through better data capture, remote access technology (e.g., remote locks and lights), and a robust Asset Management Plan and program of works.
- > Identify environmentally sustainable opportunities (solar and battery, recycled water) for sportsground facilities and playing fields.
- > Develop predictive modelling of ground moisture levels and weather impacts to allow early communication to peak sporting bodies for ground closures and to ensure maintenance works are not undertaken during periods of high moisture levels.

### *In focus: Scheduling trial brings flexibility and more allows more preseason training*

During the 2023 autumn shut down period, the Sports and Recreation Facilities team trialled a new process of staggering the shutdown over four weeks instead of the traditional two weeks. This trial was undertaken due to feedback received from peak sporting bodies to accommodate greater opportunities for a training preseason.

The two-week shutdown saw all ACT sporting grounds shutdown and unavailable for bookings. With the four-week rolling shutdown, the Sports and Recreation Facilities team were able to leave eleven sportsgrounds open and available for sporting users which would otherwise not be available. This process allowed winter sporting teams to start training early.

The trial was a resounding success with positive feedback coming from every peak sporting body within the ACT. A similar approach will be trialled again during the spring shut down. This will allow summer sporting users to reap the same benefits from accessing a portion of facilities during the traditional shutdown period.

*Image: practice at Taylor Cricket Nets*



## Licencing and Compliance

The Licensing and Compliance unit is responsible for licensing and regulating public land and municipal services in the ACT. The unit is made up of four teams being the Land Use Licensing, City Rangers, Investigations and the Compliance Targeting Team. These teams work as an integrated collegial unit, with all sections contributing to the unit's overall outcomes.

The unit ensures its advice, decisions and actions are fair, consistent, transparent, defensible and non-prejudicial. A key element of this approach is the publicly-available [Accountability Commitment Statement](#) that takes a 'risk-of-harm' regulatory approach, targeting resources to where the risks of harm, unsafe practices or misconduct are the greatest.

In 2022-23, Licencing and Compliance conducted 4,081 compliance activities. These activities relate to a range of issues including abandoned motor vehicles, unauthorised public land use, overhanging foliage, illegal dumping and littering. A total of 339 Infringement Notices and 924 Warning Letters were issued during the reporting period.

During the reporting period, Licencing and Compliance received 2,570 abandoned vehicle complaints, a notable increase from the 1,675 abandoned vehicle complaints received for 2021-22. Diligent work and investigation by Compliance Officers to identify and proactively engage with owners responsible for suspect vehicles, meant only 195 of those vehicles were declared abandoned and subsequently impounded by the Territory.

In 2022-23 the Licencing and Compliance unit generated \$4.67m in revenue from licencing commercial land use activities, waiving a further \$7.303m in fees for ACT Government projects.

### Priorities 2022-23

- > Continue to embed behavioural change in the community through fair, consistent, transparent, defensible, and non-prejudicial responses to non-compliant activities.
- > Strengthen regulatory capacity to meet emerging municipal regulatory and licensing priorities in a manner that aligns with the Accountability Commitment and community expectations.
- > Modernise systems and processes, enabling applicants to make online public land use bookings and develop a case management system to promote workplace safety and provide assistance to officers in making informed evidence-based regulatory decisions.

## Yarralumla Nursery

Yarralumla Nursery is a wholesale nursery owned by the ACT Government specialised in growing high-quality cool climate plants that are suitable for Canberra and the surrounding region.

The Nursery grows rare and endangered plants such as the Torrey pine to contribute to the sustainability of nationally and internationally vulnerable species. The Nursery also has a long-standing partnership with the Australian War Memorial to grow and distribute Lone Pine trees sourced from the grounds of the War Memorial in Canberra. The Yarralumla Nursery is also a horticultural advisor for plant biosecurity events.

Plant sales in the financial year started strongly as the economy bounced back following COVID-19; however, an exceptionally wet late-Spring and Summer impacted sales as landscape projects were delayed or cancelled. The second half of the financial year saw the market continue to soften in line with increasing commercial project costs and decreasing discretionary spending in the retail sector. The government sector was a key focus for plant production and sales and performed consistently throughout the year. The nursery's accountability indicator remained below the industry standard of 10 per cent losses.

In 2022-23, Yarralumla Nursery propagated and grew 206,354 trees, shrubs and ground covers for supply to local and regional government projects, commercial and domestic landscape projects and retail and wholesale nurseries. In the heart of winter, the nursery potted 5,452 bare root trees for future sales, and 17,042 trees were dispatched as part of the Urban Forest Strategy (see [Managing the urban forest](#) for tree planting data).



Image: Yarralumla Nursery team member, Alice, tends to plants in one of the nursery's greenhouses.

Over 440,000 bulbs and 560,000 annuals were sorted and dispatched to Floriade and 150,000 bulbs and 150,000 annuals were distributed to Canberra community groups as part of the [Floriade community program](#) run by Events ACT. The plant issue scheme allocated 4,479 plants to new residential blocks.

**150,000 bulbs & 150,000 annuals**  
distributed to **Canberra**  
**community groups** as part of  
the **Floriade community program**



Yarralumla Nursery also propagated 12,500 trees for Parks NSW as part of a koala habitat rehabilitation project near Numeralla, NSW. A further 12,500 plants are being grown for this project with delivery in Autumn 2024. The nursery also commenced growing and sourcing trees for the Raising London Circuit project; and supported Legacy through the growing and promotion of a new variety of grevillea – Legacy Flame.

 **12,5000 trees** propagated  
for **Parks NSW** to support **koala**  
**habitat** rehabilitation near Numerella

Safety and improvement works focused on the restoration of a dilapidated glasshouse, which involved removal of the decaying timbers, stripping lead paint from steel and brickwork and removing asbestos mastic. The timber frame was replaced, steel painted, internal walls rendered and the entire structure reglazed. The project was completed with the installation of thermal curtains, irrigation and rolling benches in time for growing plants through the coldest part of winter. See the dedicated In Focus item at [Infrastructure delivery](#).

The Nursery in 2022-23 also progressed its multi-year project for the creation of a water treatment facility, through the construction of a pump shed to house the treatment equipment, as well as under-boring new pipework to the main pump station. This project will continue in 2023-24 with the goal of completing and commissioning the system by the end of the financial year.

This year Yarralumla Nursery has commenced a trial of recycling polypropylene ‘PP5’ plastic pots with the nursery’s contracted pot supplier. Following disposal of green waste, the PP5 plastic pots are stacked in cages for collection by the supplier and delivered to a recycling facility. PP5 plastic can

be efficiently recycled with minimal wastage; the recycled material is returned to the pot manufacture for the fabrication of new pots.

The 2022-23 reporting period saw the nursery complete a review of business requirements to upgrade or replace our nursery management and finance systems, which included a market scan of available off-the-shelf products in Australia.

TCCS Director-General Alison Playford launched the Six-seasons Garden Bed with members of the ACT Government, Aboriginal and Torres Strait Islander community and garden co-designer Tyronne Bell. The garden showcases plants of importance in each of the six seasons recognised by the local Aboriginal people (see [B9 Aboriginal and Torres Strait Islander Reporting](#)).

The nursery is also a supporter of ACT volunteers, providing 1,356 hours of volunteer and work experience over the 2022-23 period. ACTSmart Business reaccruited the nursery with the Business Recycling Program, continuing the nursery’s commitment to sustainability and Circular Economy principles.

### Priorities for 2023-24:

- > Complete the construction and commissioning of the water treatment facility.
- > Procure and implement new Nursery Management and Finance Systems.
- > Continue to supply plants to support the final year of the ‘54,000 urban trees in 4 years’ initiative (see In Focus).
- > Recognise and celebrate the 110-year anniversary of the nursery.
- > Continue to investigate and implement where possible more sustainable products and practices, and transition fleet and infrastructure to renewable energy sources.



*Image: Yarralumla Nursery team member, Rachel, tends to plants for distribution as part of the Floriade Community Program.*

### *In focus: Delivering the urban forest*

Yarralumla Nursery in the 2022-23 financial year continued to support the project managed by the Urban Treescapes team in TCCS to plant 54,000 urban trees in four years.

The number of trees planted each season has been increasing towards the end of the project, and the nursery has worked proactively to grow and source trees six to twelve months prior to the required planting times.

The complexity of the planting program combined with unseasonably wet weather meant that the nursery had to work flexibility with Urban Tree Services to provide trees in the best possible condition over an extended planting season. This enabled the nursery team to utilise their horticultural skills to sustain tree health and creatively use space and resources within the Yarralumla facility to sustain and grow the trees.

For the 2023-24 financial year, the nursery team are geared up to delivery over 20,000 trees in the final year of the current project.

## Domestic Animal Services

[Domestic Animal Services](#) (DAS) provides animal control services to the Canberra community. These services include dog registration, nuisance and attack investigations, collection of stray and roaming dogs, community education about responsible pet ownership, and the Symonston dog shelter's operations and management.

DAS continued to find homes for dogs in need. Of the stray or surrendered dogs processed by DAS in the reporting period, 100 per cent of those deemed suitable were rehomed for the fourth year running, for further details see the Accountability Indicators. DAS also recorded 16,217 dog registrations in 2022-23 following the introduction of [annual dog registration in the ACT](#) from July 2021 (see further below for details on new cat registration requirements).

The ACT Administrative Appeals Tribunal made final decisions on ten matters related to decisions made by the Registrar of the [Domestic Animals Act 2000](#). One decision was upheld, two decisions were amended through mediation, three decisions were substituted, and one decision was set aside. In three of the matters, applicants discontinued their reviews. DAS has commenced reviewing its investigations manual and other procedures based on lessons learned from these matters.

A Strategic Asset Management Review will be commenced during the 2023-24 period and a part-time maintenance officer has been employed to undertake grounds maintenance and facilitate basic repairs and maintenance at the Symonston facility.

In 2022-23 DAS successfully delivered the education program to 2,525 students across ACT government schools. The aim is not only to teach young children how to safely interact with dogs, but promote responsible pet ownership in a fun and interactive way.

## Cat registration and containment

In 2022 the ACT Government passed legislation to help Canberra's cats live longer and healthier lives while better protecting native wildlife. This includes the introduction of [annual registration for cats](#) and the expansion of cat containment across all of Canberra.

All cats must be registered, and their details must be updated annually. This ensures DAS has up to date contact details for pet owners so we can reunite cats with their families quickly if they are lost or somewhere they shouldn't be.

As of the end of the financial year, over 15,000 cats have been registered.

Cats born before 1 July 2022 do not have to be contained unless they live in one of the 17 currently declared cat containment suburbs. Containment means keeping cats on residents' premises 24-hours a day. This can include inside a house or apartment, an enclosed area in a backyard or courtyard, or a cat crate.



Over **16,000** dogs and **15,000** cats registered in 2022-23



*Image: cat containment helps both cats and native wildlife live healthier and safer lives.*

## Re-opening to walk-in adoptions

DAS was open by appointment only from April 2020 until January 2023 due to COVID-19 restrictions and ongoing construction work on site. On 16 January 2023, with the completion of construction works and easing of COVID-19 restrictions, the Symonston facility was re-opened to members of the public seeking walk-in adoptions.

Walk-in adoptions are available Monday to Friday from 10am to 3pm, and on Saturdays from 10am to 2pm. This has resulted in a decrease in the length of time a dog takes to be re-homed.

## Priorities for 2023-24:

- > Integrate the Pet Registration system with the ACT Digital Account to improve the customer experience.
- > Undertake a review of the customer experience and satisfaction levels to improve the service delivery model.
- > Finalise the Strategic Asset Management Plan, with a focus on replacing or upgrading kennels which do not meet contemporary animal welfare standards.
- > Consider ways to improve the protection for workers and the collection of evidence.

### *In focus: Even pets need a little space sometimes*

The ACT Government launched the yellow dog campaign on 24 February 2023 which lets the community know that some dogs need space while training, recovering from surgery or being rehabilitated. The team from DAS launched the campaign at The Royal Canberra Show to raise awareness of the campaign and to hand out yellow bandanas, vests and leads to owners of dogs who need space.

If you see a dog wearing a yellow bandana, lead or ribbon, please do not approach this dog or its owner. The yellow indicates this dog needs some space. Some of the reasons a dog may need space include it is:

- > still in training;
- > nervous or anxious;
- > old and grumpy;
- > unwell or recovering post operation; or
- > a rescue dog being rehabilitated.

Dogs make wonderful companions. All dogs, however, can be unpredictable. The yellow dog campaign aims to improve community safety by clearly and easily identifying dogs who need space and prefer to be left alone. Owners of these dogs will be encouraged to use a yellow bandana, vest, lead, or ribbon to let others know, at a glance, their dog prefers to be left alone so people don't approach their dog.



Image: DAS dog 'Hamish' sports a yellow bandana reading 'I Need Space', to make people who may approach him aware that he needs a little space.



Image: 'Buddy', DAS' December 'Dog of the Month' plays with a frisbee.

Dog owners can pick up a yellow bandana, vest or lead for free from Domestic Animal Services, 92 Mugga Lane Symonston, from 9am to 5pm Monday to Friday. The yellow dog campaign also featured paid advertising as well as posters and postcards distributed to dog parks, vets, pet stores, cafés and schools to raise awareness of the yellow dog initiative.

For more information about the yellow dog campaign please visit [www.cityservices.act.gov.au](http://www.cityservices.act.gov.au)

## Output 2.5 Capital Linen Services

In 2022-23 [Capital Linen Service](#) processed and delivered 14.5 million linen items or 7,200 tonnes of clean linen to the Canberra region, which is similar to pre-COVID-19 volumes.

Production volumes shifted during the reporting period, from predominantly health sector services driven by the pandemic to the majority of production volumes being delivered to the hotel sector. The hotel sector recovered well after the COVID-19 pandemic with sales volumes increasing by 55 per cent from the 2021-22 reporting period.

The laundry managed the post-COVID-19 ramping up period by running recruitment rounds and placing an emphasis on the employee value proposition. Capital Linen Service also made progress replacing aging information technology systems and modernising planning activities with the procurement of a Production Data System and upgrading laundry specific ordering and billing software.

Capital Linen Service met the target set in the Accountability Indicators Output Class 2.5 with regards to the percentage of orders fulfilled,

delivering 98.9 per cent of all items ordered on-time and in-full compared to the output target of 98.8 per cent.

Quality Management System certification was also retained during this reporting period. Capital Linen Service are audited bi-annually against Quality Management Standard AS/NZ ISO:9001 with no major non-conformance found.

Capital Linen Service focused on leadership development during 2022-23. Training, development and workshops were held with senior, mid and lower-level management teams (See In Focus).

### Priorities for 2023-24:

- > To launder more sustainably, Capital Linen Service will continue to investigate new technologies and find innovative ways to reduce gas usage and emissions (see [B12 Ecologically Sustainable Development](#) for further information).
- > Improve linen production planning and demand management by implementing a Production Data System. The new data system will also assist in improving productivity.
- > Deliver a workforce management plan.

#### *In focus: Leadership development at Capital Linen*

Capital Linen Service is constantly looking at creative ways to upskill and equip lower-level and up-and-coming leaders within the business unit.

Due to the unique workplace environment, Capital Linen Service engaged the services of a third party who specialises in adult learning and leadership development to help with the development of a tailored leadership program targeting the Leading Hands cohort.

This program takes into consideration that English is overwhelmingly a second language at the laundry, which represents people from up to 52 cultural backgrounds.

The Leading Hands Development Program consists out of the five disciplines of learning organisations: Systems Thinking; Personal Mastery; Mental Models; Shared Vision; and Team Learning.

Topics were covered and discussed in hands-on sessions with a ratio of two trainers to six learners, weekly over a six-month period, with alternating weeks of theory and coaching. This allowed the Leading Hands to receive intensive and supported active learning whilst being practical in nature.

The Leading Hands Development Program produced some significant change in the way the participants viewed their place in the organisation. There was a noticeable increase in enthusiasm and confidence. This has been demonstrated in the way the Leading Hands share their personal goals and learnings with the senior management team. Their pro-active approach to management has been further evidence by the fact that they volunteered to meet monthly to discuss and resolve 'Wicked' problems experienced on the production floor.

The group have also demonstrated an increased understanding of the importance of trust and empathetic management of teams, that comes with any leadership role.

This level of engagement and recognition has clearly resulted in positive outcomes for both the individuals and Capital Linen Service as an organisation. Due to the clear benefit and positive reception from the Leading Hand group another Leadership Development program will be hosted during the next financial year.

## B3 Scrutiny

The Directorate is responsible for implementing a range of undertakings made in reports produced by reporting entities charged with responsibility for scrutiny, including the Auditor-General, ACT Ombudsman, and Legislative Assembly Committees. Relevant recommendations and the associated response and status are set out in the following tables.

### Recommendations carried over from 2021-22

[Standing Committee Reports on Appropriation Bill 2021-22 and Appropriation \(Office of the Legislative Assembly\) 2021-22](#)

[Government Response to Standing Committee Reports on Appropriation Bill 2021-22 and Appropriation \(Office of the Legislative Assembly\) 2021-22](#)

Recommendation	Government Response	Status
<b>Recommendation 1</b>	<b>Agreed in principle</b>	<b>In progress</b>
The Committee recommends that future budgets give a clear methodology to allow comparison on total expenditure on Roads and Active Transport and publish the total amount spent on active transport infrastructure as a separate line item.	The Government will investigate options for publishing this information in future.	Investigations are continuing into the most appropriate place to publish this information. The TCCS Budget Statements are not considered the most appropriate place.
<b>Recommendation 3</b>	<b>Agreed</b>	<b>Complete</b>
The Committee recommends that the ACT Government release its path and shared path maintenance review.	The Government will consider options to provide information on the insights from the path condition review once finalised, noting that the data is currently being captured.	The 2021 footpath audit findings are available at <a href="https://www.data.act.gov.au/browse">https://www.data.act.gov.au/browse</a>

[Standing Committee on Justice and Community Safety Report 3 – Appropriation Bill 2021-22 and Appropriation \(Office of the Legislative Assembly Bill\) 2021-22](#)

[Government response to the Standing Committee on Justice and Community Safety Report 3 – Appropriation Bill 2021-22 and Appropriation \(Office of the Legislative Assembly Bill\) 2021-22](#)

Recommendation	Government Response	Status
<b>Recommendation 28</b>	<b>Agreed in principle</b>	<b>In progress</b>
The Committee recommends that ACT Government explore the feasibility of enabling low-level drink driving offences to proceed by way of traffic infringement notice.	The ACT Road Safety Action Plan 2020-23 includes a commitment to reviewing and assessing the effectiveness of the Territory's drink and drug driving scheme against best practice models. This will include consultation with experts and the community on the effectiveness of the scheme and potential reforms. One component of this work is exploring the use of infringement notices for certain drink driving offences in the ACT, consistent with other jurisdictions such as NSW.	The ACT Government is continuing to explore options to use infringement notices for drink driving offences.

[Standing Committee on Planning Transport and City Services Report No 7 – Inquiry into Road Transport \(Safety and Traffic Management\) Amendment Bill 2021 \(No 2\) and Road Transport Legislation Amendment Bill 2021](#)

[Government Response to Standing Committee on Planning Transport and City Services Report No 7 – Inquiry into Road Transport \(Safety and Traffic Management\) Amendment Bill 2021 \(No 2\) and Road Transport Legislation Amendment Bill 2021](#)

Recommendation	Government Response	Status
<b>Recommendation 4</b>	<b>Agreed</b>	<b>Complete</b>
The Committee recommends that the ACT Government provide more dedicated infrastructure for Vulnerable Road users	Vulnerable road users are an important focus of the ACT Transport Strategy, Road Safety Strategy and Road Safety Action Plan. The Road Safety Action Plan recognises that dedicated infrastructure for vulnerable road users is critical to ensure their safety, including older drivers and children. Through the Age Friendly Suburbs Program, the Government is committed to improving path network infrastructure and connectivity in suburbs where there are aged care and retirement facilities. Participating schools also have access to the Active Streets Program, an education campaign supported by infrastructure improvements to support active travel to and from school, and the school crossing supervisor program. Through the Transport Strategy, the Government is committed to providing high-quality environments for walking and cycling and a road network which enables people to move safely and reliably across the city using these transport modes. The 2021-22 ACT Budget included a \$77 million pipeline of active travel projects over the next four years. This included funding to deliver significant new infrastructure like a seven-kilometre off-road shared path along William Hovell Drive and a new shared path along Sulwood Drive in Tuggeranong, as well as feasibility and design for future projects like the Garden City Cycle Route and improved active travel links in and around the Gungahlin Town Centre. The Government has committed to developing an updated Active Travel Framework, a Cycle Network Plan, and Best Practice design guidance to identify gaps in infrastructure and ensure future works make walking and cycling more attractive for Canberrans. Work on all of these items is in progress and expected to be finalised progressively during 2022. Providing safer walking and cycling infrastructure for vulnerable road users in the ACT is a high priority of the Government, and essential to the realisation of the Transport Strategy, the Road Safety Strategy and Road Safety Action Plan. The Government will continue to explore ways to strengthen infrastructure to provide a safe road network for all.	The Government continues to explore ways to strengthen infrastructure to provide a safe road network for all.

## Recommendations made in 2022-23

[Standing Committee on Planning, Transport and City Services Report No 10 – Inquiry into Annual and Financial Reports 2020-21](#)

[Government response to the Standing Committee on Planning, Transport and City Services Report No 10 – Inquiry into Annual and Financial Reports 2020-21](#)

Recommendation	Government Response	Status
<b>Recommendation 11</b>	<b>Agreed in principle</b>	<b>Complete</b>
The Committee recommends the ACT Government explore opportunities to avoid the production of construction and demolition waste, rather than simply recycling construction and demolition waste, through the upcoming circular economy strategy.	The ACT Government intends to identify opportunities to avoid the production of construction and demolition waste for the built environment through the development of the upcoming draft Circular Economy Strategy.	The draft Circular Economy Strategy includes opportunities for improvements in the built environment.

Recommendation	Government Response	Status
<b>Recommendation 14</b> <p>The Committee recommends the ACT Government measure and report against any changes to transport mode share over the life of construction of Light Rail and the work of the Disruption Taskforce.</p>	<b>Agreed in principle</b> <p>The Disruption Taskforce is currently considering tools to evaluate and report changes to transport mode share during the construction of Raising London Circuit (RLC) and Light Rail Stage 2A (LRS2A). This includes current pedestrian and cyclists counts on key routes around the disruption area. Public transport patronage data will also be used to measure change of patronage during construction. The level of evaluation will be subject to data availability (before and during construction) on the current walking and cycling routes, and MyWay ticketing system.</p>	<b>Complete</b> <p>Community Liaison and evaluation will continue in the area of disruption throughout the construction of Light Rail Stage 2A and Raising London Circuit.</p>
<b>Recommendation 15</b> <p>The Committee recommends the ACT Government release quantitative data of footpath conditions by district, informed by the full footpath and shared path/ Community Path audit, with effect as soon as practicable and in light of Cabinet and Government deliberations.</p>	<b>Agreed in principle</b> <p>The 2021 community path audit was undertaken with the intent to inform: TCCS preventative maintenance and renewal works for asphalt paths; renewal works for concrete paths; and the routine maintenance program (defect rectification).</p> <p>The audit results represent a snapshot in time. For example, defects identified through the 2021 audit are loaded into the TCCS Asset Management System, which contains the live list of works identified from the community and staff inspections. TCCS will examine how it might make this information available.</p>	<b>Complete</b> <p>The 2021 footpath audit identified defects not footpath condition – all defects identified through the Audit have been added to the TCCS Asset Management System. The 2021 footpath audit findings are available at <a href="https://www.data.act.gov.au/browse">https://www.data.act.gov.au/browse</a></p>
<b>Recommendation 19</b> <p>The Committee recommends the ACT Government progress consultation as soon as possible with the school community and general community on the future recreational uses for the Florey dryland oval.</p>	<b>Agreed</b> <p>TCCS is currently reviewing the existing land management plans for public unleased land, which includes dryland ovals. As part of that review, consideration will be given to the future management of dryland ovals. The Education Directorate met with the school Principal in April 2022 to recommence communication and engagement activities. Over coming months this will include engagement with staff, students, and the school community; exploration and discussion with local Aboriginal and Torres Strait Islander representatives; as well as seeking feedback from the Florey and Belconnen communities. Following the community engagement activities Education will work with TCCS to determine pathways to achieving outcomes.</p>	<b>In progress</b> <p>TCCS continues to work with the Education Directorate who have completed community consultation on the repurposing of the Florey dryland oval. On ground works are scheduled to commence in the latter part of 2023.</p>
<b>Recommendation 21</b> <p>The Committee recommends the ACT Government consider reviewing data disclosure in TCCS annual reporting and recommends utilisation levels for Canberra's public transport system be more transparent and include monthly boarding numbers for both ACTION Bus services and for Canberra Metro services in either graphic or numerical form.</p>	<b>Agreed in principle</b> <p>TCCS currently reports total public transport network patronage as an indicator, however a modal split on patronage is able to be achieved. Whilst this was not considered as an Accountability Indicator or a Strategic Indicator for 2022-23, this will be considered in the 2023-24 Budget process.</p>	<b>In progress</b> <p>The introduction of MyWay+ will significantly improve the quality and inconsistency of data being collected relating to Public Transport. MyWay+ is planned to be progressively implemented during the next 12 months.</p>
<b>Recommendation 22</b> <p>The Committee recommends the ACT Government consider reviewing data disclosure in the TCCS annual reporting and recommends greater detail on Fix My Street complaints and service delivery results be provided. This disclosure be displayed in the next annual report and have this communicated to the relevant Directorate (possibly CMTEDD in the context of Access Canberra).</p>	<b>Agreed in principle</b> <p>As Fix My Street is redesigned and transitioned to a new operating platform, consideration will be given to differentiating service requests from complaints and the ability to extract more detailed reporting.</p> <p>Access Canberra regularly reports through the ACT Government open data website - <a href="https://www.data.act.gov.au/">https://www.data.act.gov.au/</a>. Information includes parking and traffic activities, location of our mobile speed vans, data on infringements and other information for our community.</p>	<b>In progress</b> <p>Differentiating service requests from complaints, and the ability to extract more detailed reporting, is being investigated as part of a complaint management reform program which is commencing in 2023-24 and the Field Service platform program.</p>

## [Select Committee on Estimates 2022-2023](#)

### [Government response to the Select Committee on Estimates 2022 -2023](#)

Recommendation	Government Repsonse	Status
<b>Recommendation 116</b> The Committee recommends that the ACT Government move the public transport services off the interim timetable and to the permanent timetable before as soon as possible.	<b>Agreed</b> The ACT Government is preparing bus network improvements to be implemented for Term 1 2023.	<b>Complete</b> Bus Network improvements commenced on Monday 30 January 2023.
<b>Recommendation 117</b> The Committee recommends that the ACT Government insert into future Transport Canberra surveys a question that asks respondents who are dissatisfied with the public transport service - why are they dissatisfied.	<b>Agreed</b> Future customer surveys will include a question that asks respondents who are dissatisfied with the public transport service why they are dissatisfied.	<b>Complete</b> The annual TCCS satisfaction survey and the Light Rail customer satisfaction survey provides the opportunity for respondents to say why they are satisfied or dissatisfied with public transport.
<b>Recommendation 124</b> The Committee recommends that the ACT Government publish the Multi-modal Network Plan when complete and provide more information to the community about what the plan is for and how it will be implemented.	<b>Agreed in principle</b> The Multimodal Network Plan is an operational tool for transport planners which will enable improved consideration of a range of transport modes to meet the objective of an integrated transport network set out in the Transport Strategy. The ACT Government intends to release a high-level summary of the Multimodal Network Plan. This document will help explain to the community the key objectives of the Plan and how it will be used to inform transport planning.	<b>Complete</b> On completion of the project a public facing document will be published.
<b>Recommendation 125</b> The Committee recommends that the ACT Government improve the active travel linkages between Gungahlin Town Centre and Yerrabi Pond as part of the Active Travel Plan.	<b>Agreed in principle</b> The ACT Government recognises the value of connectivity through active travel. The Active Travel plan is currently in draft, and the final plan will be informed by community consultation and feedback. The Gungahlin Town Centre – Active Travel Feasibility Study has recently been completed. This study will help inform future options that would improve connections between Gungahlin Town Centre and Yerrabi Pond.	<b>Complete</b> The next stage of the design following the completion of the Active Travel feasibility study for the Gungahlin Town Centre has been funded as part of the 2023-24 ACT Budget. Future construction works would be informed through the current design works.
<b>Recommendation 128</b> The Committee recommends that the ACT Government investigate how to improve communication between Domestic Animals Services and individuals with open investigations.	<b>Agreed</b> DAS will review current procedures. As each investigation case is different contact with each person involved varies.	<b>Complete</b> DAS has reviewed procedures relating to communication with individuals regarding ongoing and open investigations.

## [Standing Committee on Planning, Transport and City Services Report No 11 – Inquiry into the Urban Forest Bill 2022](#)

### [Government response to the Standing Committee on Planning, Transport and City Services Report No 11 – Inquiry into the Urban Forest Bill 2022](#)

Recommendation	Government Response	Status
<b>Recommendation 10</b>  The Committee recommends that the ACT Government provide additional FTE resources for applications, processing, compliance and enforcement so that the Tree Protection Unit in TCCS, the statutory planning team in EPSDD, the conservator and any other areas involved can process applications quickly, conduct inspections and enforce breaches of the legislation.	<b>Agreed in principle</b>  The ACT Government recognises that sufficient resources will be required in order to successfully implement the Bill. The ACT Government intends to provide additional resourcing to ensure the Bill can be implemented to achieve its stated objectives, however it notes that this resourcing requirement will be subject to consideration through the budget process.	<b>Complete</b>  The 2023-24 budget provides \$24.267m over four years, which includes a number of new positions to commence over the course of the four years as they are required.
<b>Recommendation 11</b>  The Committee recommends that the Bill be amended to specify in clause 32 that decisions on applications for approval in urgent circumstances should be notified to the applicant as soon as practicable after receipt of the application.	<b>Agreed</b>  The ACT Government will move an amendment to section 32 to state that decisions for approval for an activity in urgent circumstances should be notified to the applicant as soon as practicable after receipt of the application. This notification may be given orally or in writing, but any oral approval must be followed up by a written record as soon as practicable, as is outlined in in sub-section 6. This mirrors the current process for administering urgent circumstances applications under the <i>Tree Protection Act 2005</i> .	<b>Complete</b>  A section to address this recommendation has been included in the <i>Urban Forest Act 2022</i> .
<b>Recommendation 12</b>  The Committee recommends that the ACT Government review the scale of contributions to the Canopy Contribution Fund two years after commencement to determine whether fees are set at a level that achieves the policy objectives.	<b>Agreed</b>  As noted above, the Bill includes a statutory review two years after commencement of the Bill. The ACT Government agrees that this should include reviewing the scale of contributions to the Canopy Contribution Fund to determine whether the contributions outlined in the Urban Forest (Canopy Contribution Agreements Financial Settlement) Determination are set at a level that achieves the policy objectives. The calculation factors for financial settlements are set in a disallowable instrument. This allows for the amounts to be updated in order to remain current and effective. The instrument can be reviewed at any time separate to the statutory review.	<b>Complete</b>  The <i>Urban Forest Act 2022</i> commences on 1 January 2024 and includes a two-year statutory review.
<b>Recommendation 13</b>  The Committee notes the concern that the building and construction industry has with this Bill and recommends that the ACT Government provide a briefing to the industry so that the sector can better understand the requirements of the Bill.	<b>Agreed</b>  The ACT Government notes that during the public engagement on the Bill that ran from 21 April to 2 June 2022, TCCS officials hosted four workshops with representatives from relevant industries, conservation bodies and community groups. Industry associations and individual businesses from the building and construction industry were invited to a targeted workshop as part of this, and an additional workshop was held on request. The industry stakeholders who engaged in these workshops received a targeted presentation accompanied by explanatory written information on the Bill and the opportunity to ask questions and share their perspective on the proposed changes. If the Assembly passes this Bill, ACT Government will engage the relevant stakeholders and groups from the building and construction industry prior to the commencement of the legislation. Communication will be designed to support this sector to better understand the requirements of the Bill. In recognition of the need to assist the building and construction industry to prepare for the changes the Government also intends to move an amendment to delay the commencement of the Act by six months. This delay is intended to allow sufficient time for further engagement with stakeholders to ensure they understand the requirements of the Bill. This will also support the ACT Government to prepare for a seamless implementation of the Bill, with delivery of critical software systems, finalisation of new procedures and engagement materials, and to prepare the workforce to successfully administer the Bill.	<b>Complete</b>  The <i>Urban Forest Act 2022</i> commences on 1 January 2024. TCCS is actively planning a host of support material to be available online for the building industry and the general public to assist with their engagement with the new provisions of the Act.

Recommendation	Government Response	Status
<b>Recommendation 14</b>	<b>Agreed</b>	<b>Complete</b>
The Committee recommends the ACT Government continue to work closely with key stakeholders in the building industry and in the community during the implementation of the Act.	<p>The ACT Government agrees that it will be essential to engage with key stakeholders in the building industry and in the community to ensure the implementation of the Act is successful. Through the public consultation process conducted in 2022, the ACT Government developed a list of key stakeholders in the arboriculture and landscaping industry, the construction and development industry and conservation-focused and community representative groups. These stakeholders were provided information about the public engagement on the Urban Forest Bill and were directly invited to participate in workshops during this period. Approximately fifty representatives attended a total of four workshops where they were able to learn more about the proposals in the Bill, share their perspectives and recommendations, and ask questions to further their understanding on the proposed changes.</p> <p>If the Assembly passes this Bill, ACT Government will engage these groups in the lead up to the commencement of the legislation, providing clear and relevant information to heighten their understanding of the Bill. The Government will continue to work closely with these stakeholders as required to support them during the transition to implementation.</p>	As work continues in planning for the commencement of the <i>Urban Forest Act</i> on 1 January 2024, TCCS is actively planning a host of support material to be available online for the building industry and the general public to assist with their engagement with the new provisions of the Act.
<b>Recommendation 16</b>	<b>Agreed</b>	<b>Complete</b>
The Committee recommends that the ACT Government increase awareness and educate the ACT community on canopy contribution agreements and their administration.	<p>The ACT Government is preparing information to inform the community of the changing requirements before they come into effect. This will include information on the changes to the definition of a protected tree, and the introduction of tree bonds and canopy contributions.</p> <p>If the Assembly pass the Bill, the ACT Government will publish clear information on canopy contributions on the City Services website and will provide educative materials in a range of formats prior to implementation. As noted above, the Government intends to move an amendment to delay the commencement of the Act by six months. A commencement date of 1 January 2024 will allow sufficient time for ACT Government to increase awareness and educate the ACT community, including promoting understanding of the canopy contribution framework.</p> <p>This will also support the ACT Government to prepare for a seamless implementation of the Bill, with delivery of critical software systems, finalisation of new procedures and engagement materials, and to prepare the workforce to successfully administer the Bill.</p>	Preparation of resource material to ensure businesses and the community are educated on the concept of the Canopy Contribution fund and Agreements. The resource material will be available online and be supported by targeted information sessions to industry.

### [Standing Committee on Environment, Climate Change and Biodiversity – Inquiry into Environmental Volunteerism](#)

#### [Government response to the Standing Committee on Environment, Climate Change and Biodiversity – Inquiry into Environmental Volunteerism](#)

Recommendation	Government Response	Status
<b>Recommendation 8</b>	<b>Agreed</b>	<b>Complete</b>
The Committee recommends that the ACT Government facilitate coordination between TCCS, volunteer groups and mowing contractors to ensure that mowing is compatible with ACT government policy and volunteer efforts.	The TCCS Urban Parks and Places Volunteer Coordinator coordinates the efforts of volunteer groups with those of the mowing program. TCCS has committed to improving coordination between mowing activities and environmental outcomes.	At the commencement of each mowing season, TCCS reviews no mow maps that have been informed by engagement with Community Groups. The Executive Branch Manager, City Presentation attends the Biodiversity Forum with community groups allowing direct and effective lines of communication.

[Standing Committee on Justice and Community Safety – Inquiry into Road Safety and Crimes Legislation Amendment Bill 2022](#)

[Government response to the Standing Committee on Justice and Community Safety – Inquiry into Road Safety and Crimes Legislation Amendment Bill 2022](#)

Recommendation	Government Response	Status
<b>Recommendation 1</b>	<b>Agreed</b>	<b>In progress</b>
<p>The Committee recommends that the ACT Government explore information sharing arrangements to the ACT road transport authority (RTA) from interstate governments of heavy vehicle drivers on disclosures of medical problems.</p>	<p>The ACT Government agrees to the recommendation and will explore information sharing arrangements to the ACT road transport authority (RTA) from interstate governments of heavy vehicle drivers on disclosures of medical conditions which affect their fitness to drive. Transport Canberra and City Services will write to the respective jurisdictional road transport authorities and investigate if notifications concerning a known medical condition affecting an ACT heavy vehicle licence holder's fitness to drive can be shared with the ACT road transport authority, where this is not already being provided. The Committee's recommendation seeks to strengthen the existing proposal for mandatory reporting by health practitioners in the interests of road safety. Exchanging relevant driver and vehicle licensing information between jurisdictions is a well established initiative to benefit road safety, to prevent fraud and theft and to achieve cross border efficiencies. However, sharing health related information by driver licensing authorities is not as standardised, particularly as the information is subject to more stringent commonwealth and state privacy laws and policies, and the risk to public safety may not be sufficiently evident in each case. While reporting by health practitioners to the road transport authority is not mandatory in all Australian jurisdictions, including NSW, concerned health practitioners may voluntarily report in some circumstances. For example, a report can be made online by a NSW's health practitioner to the NSW road transport authority using their practice management system or the HealthLink portal. Health practitioners that make a notification without the patient's consent, but in good faith, are protected from civil and criminal liability.</p> <p>NSW health practitioners can also voluntarily report concerns about a patient's fitness to drive to the ACT RTA. No matter where in Australia the registered health practitioner is located, they must uphold similar professional standards and will have an obligation to public safety. The Health Practitioner Regulation National Law seeks to uphold professional standards uniformly across Australia. Further, part of the primary purpose of the nationally endorsed Assessing Fitness to Drive, is to assist health professionals to 'assess the fitness to drive of their patients in a consistent and appropriate manner based on current medical evidence' The holder of an ACT driver licence who suffers any permanent or long-term illness, injury or incapacity that may impair his or her ability to drive safely must tell the ACT RTA as soon as practicable (but within 7 days). A driver that does not comply commits an offence under the Road Transport (Driver Licensing) Regulation 2000 that has a \$208 infringement penalty or maximum penalty of \$3200.40. Further, applicants for an ACT licence must declare any relevant medical conditions at the time of application, it is an offence to knowingly make a false or misleading statement.</p> <p>The proposal for mandatory reporting by health practitioners will also be supported by other heavy vehicle road safety initiatives in the ACT. Since February 2022, all applicants applying for an ACT Heavy Vehicle Licence (medium rigid and above) must complete a commercial health assessment to ensure they meet the required medical standards to drive safely. This means all applicants transferring from interstate, and existing ACT licence holders upgrading to a high licence class (for example, upgrading from a medium rigid licence to a heavy vehicle licence), are required to complete a commercial health assessment. The ACT Government is also considering introducing regular periodic commercial medical assessments for heavy vehicle licence holders (medium rigid and above) in the second half of 2023. If introduced, it will complement the proposed amendment in the Bill to identify medical conditions that may impact safe driving ability and ensure medical conditions can be appropriately managed.</p>	<p>At the commencement of each mowing season, TCCS reviews no mow maps that have been informed by engagement with Community Groups. The Executive Branch Manager, City Presentation attends the Biodiversity Forum with community groups allowing direct and effective lines of communication.</p>

Recommendation	Government Response	Status
<b>Recommendation 5</b>	<b>Agreed in principle</b>	<b>Complete</b>
<p>The Committee recommends that the ACT Government collect adequate data on the implementation of the measures in the Road Safety Legislation Amendment Bill 2022 and conduct an independent review after two years from commencement to ensure that vulnerable groups are not being adversely impacted by the reform.</p>	<p>The Government agrees in principle to this recommendation. Routine monitoring of the implementation of new offences is a part of the ordinary course of law reform in the ACT. The Government will consider and address any concerns about unintended impacts raised by stakeholders in relation to new offences as these offences are implemented. However, without evidence to support the need for a specific review at a specific time (such as evidence that the offence is likely to adversely impact vulnerable groups) it is difficult to justify such a focus on this new offence as is proposed in Recommendation 5. The ACT Government has a number of processes in place to ensure that unintended consequences (such as disproportionate impact on vulnerable people) are brought to the attention of the Government. a) When developing a new offence or any legislative amendment proposal, the Government consults extensively with all relevant stakeholders. In developing the proposed new dangerous driving offences and mandatory reporting of medical conditions, the Government consulted with (among others): the ACT Human Rights Commission, ACT Policing, Australian Federal Police Association, Director of Public Prosecutions, and a variety of other ACT Government agencies. b) The Government fosters ongoing dialogue with these and other stakeholders, welcoming feedback from them at any time on a range of issues. The Government considers all such feedback carefully and where appropriate, addresses issues in a timely way. c) The Government has established structures and entities whose role it is, among other things, to bring concerns with the operation of ACT legislation to the attention of the Government. Entities that may be particularly relevant to identify any unintended impacts of a new offence include the ACT Human Rights Commission, ACT Policing, professional legal bodies such as the Law Society and ACT Bar Association, Legal Aid ACT, the ACT Children and Young People Commissioner, and the ACT Ombudsman. d) Data is collected about offender and alleged offender characteristics through ACT Policing, the ACT Courts and Tribunal and the ACT Sentencing Database. Data collected includes the number of people charged/sentenced for a particular offence and the age and gender of these people and whether or not they are Aboriginal or Torres Strait Islander people. This data is used, together with information provided by stakeholders and relevant ACT entities, to determine whether disproportionate impacts flow from a new offence or other legislative amendment. The above approach ensures that resources are allocated toward an examination of the impacts of new legislation where there is evidence that such an examination is needed, rather than reviewing all new legislation as a matter of course, which is resource intensive and may not be necessary. It is worth noting still that the Road Safety Bill considered means to not unduly impact vulnerable groups and acknowledges that certain penalties such as imprisonment, immediate suspension notices and licence disqualifications can have less favourable outcomes for vulnerable groups. Any limitations on a person's human rights is considered reasonable, justified and there are no other less restrictive means to achieve the Road Safety Bill's purpose to protect the public and improve road safety. The amendments in the Road Safety Bill were designed to deter dangerous driving offenders. Dangerous driving offences are often committed by a small sub-section of high-risk, often recidivist, offenders. The penalties in the Road Safety Bill were introduced to deter other people in the community from committing similar offences and ensure that offenders are adequately punished for the offence in a way that is just and appropriate. Due to the severity of some of these offences the 2-year timeframe may not be long enough to capture meaningful data as it takes time for matters to be heard in court. However, the ACT Government will continue to monitor these impacts and work with relevant entities to understand the impacts the increased penalties may have, and to address any inequalities that may arise as a result.</p>	<p>A review will be completed two years after the commencement of the Act.</p>

## B4 Risk Management

The Directorate's approach to risk management is based on the Australian Risk Management Standard AS ISO 31000:2018 ('The Standard') and is consistent with the [ACT Government Risk Management Policy 2021](#). TCCS is committed to sound risk management practice, which underpins delivery of our strategic objectives.

The [TCCS Executive Board and TCCS Audit Committee](#) maintain oversight of the Directorate's risk management activities, including endorsing the [TCCS Risk Management Framework and Plan](#), TCCS Business Continuity Framework, and the [TCCS Fraud and Corruption Prevention Plan 2022-24](#). Strategic and operational risks are discussed at both Executive Board and Audit Committee, obtaining strategic input and oversight.

The TCCS Risk Management Framework and Plan provides employees with the foundations to ensure a consistent, effective and efficient approach to risk identification, treatment, and management throughout the Directorate.

An Enterprise Risk Management System is used for recording, monitoring and reviewing all known risks. This system provides visibility and enables systematic reviews. Notification of risk review cycles and risk treatment updates are automated through the system with oversight and support provided by the TCCS Governance team.

TCCS Executive Branch Managers and project teams review and identify risks through formal risk meetings, workshops, interviews or conduct informal reviews. The process for identifying new and emerging risks is undertaken through an ongoing risk monitoring and review cycle.

## B5 Internal Audit

The TCCS internal audit function is overseen by a Chief Audit Executive, administered by a designated Internal Audit Manager, and governed by the TCCS Internal Audit Committee. The Committee reports to the Director-General on the governance, risk, compliance and internal control environment. The Audit Committee also reviews the annual financial statements and provides advice to the Director-General on audit outcomes, significant risks and implementation of mitigation strategies.

Internal audit related activities are conducted in accordance with the [TCCS Internal Audit Charter](#) and

the [TCCS Audit Committee Charter](#) to ensure that internal audit delivers a comprehensive value-add compliance, assurance, and performance service to the Director-General and wider Directorate.

The TCCS annual assurance program consists of the Strategic Internal Audit Program and the annual Internal Compliance Program. The program is largely a management-initiated program, revised and executed according to emerging priorities and strategic and operational risks. The plan is informed by an independent assurance mapping process, validating and prioritising internal audits based on risk and internal governance models.

### Internal audit activities

The Directorate utilises the Whole of Government Professional Services Panel to deliver internal audit services. During 2022-23, the Directorate engaged the services of a dedicated internal audit provider, as well as procuring the services of audit providers where additional expertise or capacity is needed to deliver program objectives.

Two internal audits were presented to the Audit Committee for consideration in 2022-23. One assessed the compliance of procurement processes relating to the procurement of diesel and electric buses, the other assessed the effectiveness of TCCS' complaints management processes.

Three additional audits commenced within the reporting period relating to on-call and overtime arrangements, panel contract management, and a post implementation review of the asset information management system.

### Other audit, assurance and compliance activities

A total of six internal compliance reviews were finalised or submitted for management comment, relating to delegation management, procurement compliance, staff cessations, fleet vehicle usage, mandatory training completion, and compliance with performance frameworks.

Additionally, the annual Compliance Assurance Statement process was completed considering compliance against eight key compliance environments, including integrity, human resources management, information security and privacy, risk and assurance, work health and safety, purchasing, procurement and contract management, asset management, and the use of regulatory powers as authorised officers.

The Audit Committee also monitored performance audits conducted by the ACT Auditor-General. One report was presented to the Audit Committee

relating to [ACT Childhood Healthy Eating and Active Living Programs](#). The Directorate participated as a key stakeholder in two additional performance audits, being [Implementation of the Aboriginal and Torres Strait Islander Agreement](#) and [Activities of the Government Procurement Board](#).

## TCCS Audit Committee

The Audit Committee consists of an Independent Chair, two Independent external members, one ACT government executive member, and one TCCS executive member. The committee is assisted by key advisors – the TCCS Chief Audit Executive, the Chief Financial Officer, and representatives of the Auditor-General. The Audit Committee met five times during 2022-23 to discuss performance and compliance audits, one of which considered the Directorate's financial statements. The external independent members on the Audit Committee are engaged under contract and paid a fee based on five meetings per annum.

The Audit Committee monitors progress on all audit recommendations and has responsibility for ensuring their implementation. The Audit Committee supported the closure of 24 recommendations within the 2022-23 reporting period.

Table 3: TCCS Audit Committee membership for 2022-23

Name of member	Position	No. meetings attended
Carol Lilley	Independent Chair	5
Maria Storti	Independent Member	5
Alexandra Spark	Independent Member	5
David Matthews	ACT Government Member	4
Ken Marshall	TCCS Member	5

## B6 Fraud Prevention

The [ACTPS Integrity Governance Policy](#) sets the whole of government direction on the promotion of integrity in the ACTPS. The *Public Sector Management Standards 2016* detail the formal responsibilities of agencies to promote integrity and control fraud and corruption.

Fraud control arrangements in the Directorate during 2022-23 were overseen by the Senior Executive Responsible for Business Integrity Risk (SERBIR) and monitored by the TCCS Audit Committee. The SERBIR was supported by an

advisory panel consisting of the Executive Branch Manager People and Capability, the Executive Branch Manager Legal and Contracts, and the Agency Security Advisor. The advisory panel met regularly to examine mechanisms for prevention, detection, and reporting. Suspected fraud and corruption cases were monitored and actioned by the advisory panel.

The [TCCS Fraud and Corruption Prevention Plan](#) and associated risk assessment were updated in June 2022. The TCCS Audit Committee and the TCCS Executive Leadership Team were consulted during the review with their recommendations and feedback incorporated into the final plan. The Executive Leadership Team consultation included reminders for executives on their mandatory reporting obligations under the [Integrity Commission Act 2018](#). The Plan provides a framework aimed at enhancing integrity, reducing the risk of fraud and corruption, and assisting staff to make decisions in the reporting of fraud, corruption, and other ethical matters.

Prevention and detection measures in 2022-23 included:

- > delivery of the TCCS Integrity Awareness Campaign (see further detail below);
- > raising the general awareness of staff by participating in the Directorate induction program, and undertaking mandatory Fraud and Ethics Awareness training;
- > promoting ethical and proper conduct through scheduled and regular all-staff email updates, on the TCCS intranet as well as via the monthly TCCS Connections newsletter;
- > conducting an internal audit program to address issues of business integrity risk;
- > facilitated face-to-face awareness sessions tailored to field-based staff needs, as well as roadshow visits to operational areas to promote integrity and awareness of the SERBIR role;
- > use of interactive eLearning online modules; and
- > maturing integrity risk across the organisation and within business units through integrity risk workshops, including with the Executive Leadership Team, and developing integrity risk templates to assist business units undertake integrity effective risk assessments.

The Directorate developed an Integrity Awareness Campaign which was launched in July 2022. The campaign focused on raising awareness of unethical, fraudulent and corrupt scenarios, specific to the operational nature of TCCS, and the

consequences for engaging in such behaviours. Campaign materials included a combination of hard copy posters as well as a suite of multimedia products which were tailored to the various work environments to ensure relevance to staff working in those areas.

Feedback from the Integrity Awareness Campaign has been positive with a noticeable increase in contact made directly from operational areas to the SERBIR. While this hasn't necessarily translated to confirmed incidents of fraudulent activity, it is evidence that operational staff are more aware of their individual reporting obligations and the methods in which to report.

Additionally, the SERBIR has monitored staff engagement with online content including all staff messages on topics such as conflicts of interest, second job applications and gifts and benefits declarations.

Fraud and Ethics Awareness training is mandatory within TCCS with completion required every two years. Training is also incorporated into the TCCS Corporate Induction and Transport Canberra Bus Driver Induction program. In 2022-23 a total of 949 staff participated in Fraud and Ethics Awareness training which focused on identifying and reporting suspected fraud and corruption. 741 staff completed the training through the interactive eLearning module while 208 staff attended face to face sessions.

During 2022-23 there were 15 cases (up from ten cases in 2021-22) of suspected fraudulent activity reported to the SERBIR. While this is a small increase in reports from the previous financial year, anecdotally the increase can be attributed to the Integrity Campaign.

*Table 4: Outcomes of fraudulent activity allegations reported through the SERBIR during 2022-23*

No.	Report	Outcome
1	Allegation that staff member submitted a false statutory declaration.	No finding of fraud or misconduct was substantiated.
2	Allegation that a staff member fraudulently disposed of Government assets and misused a government vehicle.	Matter is currently under review.
3	Allegation that a staff member fraudulently disposed of Government assets and misused a government vehicle.	Matter is currently under review.
4	Allegation that a staff member committed a criminal act.	Matter referred to ACT Police and is currently under review.
5	Allegation that a staff member fraudulently disposed of Government assets.	Matter is currently under review.
6	Allegation that a staff member misused a government vehicle and falsified records.	Matter is currently under review.
7	Allegation that staff member fraudulently generated after hours work.	Staff member resigned prior to the conclusion of the preliminary assessment.
8	Allegation that a staff member falsified time sheets for personal gain.	Matter is currently under review.
9	Allegation that a staff member accessed information without authority.	Allegation was substantiated staff member was counselled with written warning.
10	Allegation that a staff member submitted falsified recruitment documents.	Staff member resigned prior to the conclusion of the preliminary assessment.
11	Allegation that staff members did not follow government guidelines.	Matter was reviewed with no finding of non-compliance.
12	Allegation that a staff member historically disposed of government assets for personal gain.	Matter is currently under review.
13	Allegation that a staff member received on-call benefits which they were not entitled to.	Matter is currently under review.
14	Allegation that a staff member falsified timesheets for personal gain.	Staff member resigned prior to the conclusion of the preliminary assessment.
15	Allegation that a staff member disclosed information without authority.	Matter is currently under review.

# B7 Freedom of Information

## Freedom of Information Act 2016

The [Freedom of Information Act 2016](#) (FOI Act) provides a right of access to relevant government information unless that information is, on balance, contrary to the public interest. The FOI Act ensures that government information is available to everyone, to the fullest extent possible, and provides for two types of applications that can be made to access government information.

Refer to the [Freedom of Information Guidance](#) to learn more about making an application to access government information held by TCCS.

The Directorate maintains a [Freedom of Information Disclosure Log](#) of decisions on access applications, with an exclusion of applications for personal information. Applicant's personal information is removed from documents before publication.

## Open Access Information

TCCS continues to comply with the Open Access Information requirements of Part 4 of the FOI Act by ensuring that the following information is proactively published online:

- > functional information about [TCCS](#) including its structure;
- > how [applications](#) can be made to access government information;
- > decisions made about access applications, see the [Freedom of Information Disclosure Log](#);
- > information about boards and other bodies established by the Directorate;
- > documents tabled, see the [ACT Legislative Assembly](#) website;
- > budgetary papers, see the [ACT Treasury](#) website; and
- > information about grants administered by TCCS, see the Directorate's website including:
  - [Creative Endeavour Grants](#)
  - [Road Safety Fund](#)
  - [Adopt a Park](#)

Policy documents are published routinely on Transport Canberra and City Services websites unless it is determined that the information within

the policy is contrary to the public interest. In 2022-23, no policy documents were decided to be, in part or full, contrary to the public interest.

A total 73 records were published on the [Open Access Information Portal](#) in full under the Open Access Information Scheme. A further seven records were published in full on the [City Services website](#).

## Amendment to personal information

No applications for amendment to personal information under the FOI Act were received during 2022-23.

## FOI applications received and decision type

The Directorate processed 165 applications in 2022-23; 24 of these applications were carried over as unresolved in the 2021-2022 financial year and 15 will be decided in the 2023-24 financial year.

Of the 165 applications processed, 135 were made by members of the public, one by a journalist, 19 by members of the ACT Legislative Assembly and ten were made by other parties (community groups, solicitors and similar).

Of the 165 applications processed in 2022-23, 105 applications were finalised with a decision on access. The below table provides a break down on the type of decisions made this financial year.

In making a decision on an access application an Information Officer must determine, on balance, where the public interest lies in the disclosure of the information. After applying this test:

- > 25 applicants were provided with full access to the government information;
- > 54 applicants were provided with partial access to the government information; and
- > 12 applicants were refused access as the information was contrary to the public interest to disclose.

In 14 instances it was decided that TCCS did not hold the requested information.

*Table 5: Number and timing of access applications for 2022-23*

Reported metric	Result (number)
<b>Applications processed in 2022-23</b>	<b>165</b>
Applications carried over from 2021-22	24
Applications received in 2022-23	141
Applications decided in 2022-23	105
Applications to be resolved in 2023-24	15

Of the 165 access applications handled in 2022-23, applications were submitted by the following groups:

Table 6: Access applications by type for 2022-23

Type (submitted by)	Result (number)
Member of the public	135
Journalist	1
Members of the ACT Legislative Assembly	19
Private business	6
Other parties	4

The following reportable metrics relate to the outcome of the 150 access applications resolved in 2022-23 by outcome. The remaining 15 access applications will be resolved in 2023-24.

In two instances, it was identified that relevant information was also held in another directorate. In accordance with the FOI Act, these two applications were partially transferred to other directorates and were decided by TCCS.

Table 7: FOI application outcomes for 2022-23

Outcome	Result (number)
Full access	25
Partial access	54
Information not held	14
Access contrary to public interest (refused)	12
Application not dealt with under s34(6)(b)	1
Incomplete applications	3
Application transferred in full to other ACT Government Directorate	28
Application transferred in part to other ACT Government Directorate	2
Withdrawn	7
Resolved outside of FOI	6

Information Officers must apply the public interest test set out in section 17 of the FOI Act when deciding on access. This test requires an Information Officer to consider all factors listed in schedules 1 and 2 which are relevant to the information contained in the records subject to the access application. The following table shows the annual count of factors relied on by Information Officers where access was refused or partially given.

## Fees

There were no fees charged for the processing of access applications.

## Reviews

In 2022-23, five applications were made to the

ACT Ombudsman for review of TCCS decisions on access applications. Of these reviews: two have been decided, with one application varied and one confirmed by the Ombudsman; and two review applications were in progress at the end of the 2022-23 reporting period.

No applications were made to the ACT Civil and Administrative Tribunal (ACAT) in relation to decisions made on reviews by the ACT Ombudsman.

Table 8: Reason for FOI decisions for 2022-23

Reason for decision	Result (number)
Schedule 1, s1.4	1
Schedule 1, s1.6	4
Schedule 1, s.1.12	1
Schedule 1, s1.14	1
Schedule 2.2(a)(i)	2
Schedule 2, s2.2(a)(ii)	52
Schedule 2.2(a)(iii)	3
Schedule 2.2(a)(viii)	3
Schedule 2, s2.2(a)(x)	6
Schedule 2, s2.2(a)(xi)	12
Schedule 2, s2.2(a)(xii)	17
Schedule 2, s2.2(a)(xiii)	9
Schedule 2, s2.2(a)(xv)	8
Schedule 2.2(a)(xvi)	6

Table 9: FOI processing timeframes for 2022-23

Processing timeframe	Result (number)
Access application decided within 20 working days. See section 40(1)	58
Access application extended above 20 working days by applicant's agreement (section 41)	46: 21(+1), 22(+2), 23(+3), 23(+3), 23(+3), 24 (+4), 25(+5), 25(+5), 25(+5), 25(+5), 26(+6), 26(+6), 26(+6), 26(+16), 27(+7), 27(+7), 27(+7), 28 (+8), 28(+8), 29(+9), 29(+9), 30(+10), 30(+10), 30(+10), 30(+10), 30(+10), 31(+11), 31(+11), 32(+12), 34(+14), 35(+15), 35(+15), 36(+16), 36(+16), 38(+18), 39(+19), 45(+25), 48(+28), 52(+32), 80(+60), 114(+94), 114(+94), 155(+135), 224(+204).
Access application subject to third party consultation and decided within 35 working days (section 40(2)(a)).	0
Access application subject to third party consultation and extended above 35 working days by applicant's agreement (section 41).	1: 49 (+14)

# B8 Community Engagement and Support

## Community Engagement Activities

Engagement with stakeholders continued to be a key priority for the Directorate with a range of consultative processes being delivered in 2022-23.

### Single-use plastics

The ACT's progressive approach to [phasing out single-use plastics](#) continued. From 1 July 2023 single use plastic plates and bowls, expanded polystyrene loose fill packaging and expanded polystyrene trays, and plastic microbeads in rinse-off personal care and cleaning products were banned.

In addition, from 1 January 2024, heavyweight and boutique plastic bags (greater than 35 microns in thickness) will be banned. The ACT Government recognises that industry needs time to prepare and allowed an additional six months for the ban on heavyweight and boutique plastic bags.

Significant engagement was undertaken with the business community including major supermarkets, retail and hospitality associations as well as the broader community in the lead up to the phase out of these items.

Community consultation ran from 15 September to 8 December 2022. The ACT Government received 215 submissions in total including 23 detailed written submissions and 23 shorter email comments. A total of 168 emails were received as part of an environmental organisation's campaign supporting the ban.

Discussions were held with the ACT Plastic Reduction Taskforce on the proposed items to be banned including members from key national and local business, industry and peak bodies. There were also 14 meetings held with individual peak bodies and relevant businesses.

There has been strong support from the business community and community groups for the ban and the transition to sustainable alternatives. The ACT Government has taken an education-first compliance approach. The National Retail Association has been assisting with engagement with the business community starting at the end of June 2023. The Association commenced visiting over 1,800 businesses where they have been providing material including an information resource pack with posters and fact sheets.

## Draft ACT Circular Economy Strategy 2022-25

The circular economy aims to keep resources circulating in our economy for as long as possible, maximising the value of materials and reducing the need to use natural resources. In late 2022, the community was invited to have their say on the draft strategy and provide feedback on how government, business and the community can take the first steps toward a more circular economy, with a focus on five key areas:

- > food and organics;
- > built environment;
- > consumer goods;
- > emerging and problematic waste streams; and
- > creating space to showcase our commitment to the circular economy.

The [consultation](#) ran from 27 October to 8 December 2022 and showed there is support and momentum for a circular economy in the ACT and both the community and local businesses want the ACT Government to implement circular projects through the development of appropriate legislation, policy, and funding initiatives.

Information was shared online through the YourSay website including an online survey. The community and key stakeholders were invited to have their say via social media, newsletter publications and presentations. A total of 161 surveys were completed and 35 written submissions were received from the community, industry and business groups. In addition, workshops were held in February 2023 with industry and business groups to inform development of the final strategy. There were five workshops involving over 120 stakeholders across 70 organisations.

The final ACT Circular Economy Strategy 2022-25 will be released in the second half of 2023 along with an action plan that details the commitments that will be implemented to advance a circular economy rapidly over the next few years.

## Container Deposit Scheme expansion

The ACT Container Deposit Scheme was introduced in 2018 and allows people to return eligible, empty drink containers for a 10-cent refund per item. Currently the scheme accepts aluminium cans, glass bottles, plastic bottles and cartons.

The ACT Government is considering the inclusion of additional items into the scheme such as wine, spirit and cordial containers. The proposal supports a national agreement to expand and harmonise the scope of container deposit schemes by the end of 2025. Introducing a harmonised expanded scope of containers would help to ensure consistent recycling collection strategies and makes it easier for businesses that supply into multiple states and territories.

Community engagement on the [YourSay website](#) started on 30 May 2023 and will continue until 22 August 2023 with industry, businesses and the general community invited to make a submission. Feedback will be used to inform possible scheme expansion including the additional eligible container types proposed, timing of its roll-out and how the ACT Government will work to support business and industry in the transition.

## New waste and recycling infrastructure

The ACT Government is upgrading and delivering new waste and recycling facilities to support the needs of the Territory now and into the future. This includes a new Materials Recovery Facility (MRF) and large-scale Food Organics and Garden Organics (FOGO) facility in Hume. Both of these projects are jointly funded by the ACT and Australian Governments.

To inform the draft Environmental Impact Statements for the new MRF and FOGO facility community engagement was undertaken from 24 April to 5 June 2023. Community groups, local residents and the general community who may be impacted by the proposed facilities were invited to learn more about the proposals with information and fact sheets made available on the City Services website. This early engagement process was undertaken to help ensure relevant issues are reflected in the draft Environmental Impact Statement and can be addressed accordingly.

Around 10,000 residents in the suburbs of Chisholm, Fadden, Farrer, Gilmore, Gowrie, Hume, Isaacs, Jerrabomberra, Macarthur and Tralee received a letter on the proposals and were invited to attend a drop in session. In May 2023, four drop in sessions were held at the Tuggeranong and Woden library branches and at the Chisholm and Mawson shopping centres. These were attended by around 150 people. In addition, ten written submissions were received. The concerns raised were around traffic, construction and noise impacts during development and operation as well as the potential for odour and litter associated with operations. Appropriate mitigation measures will be

included in the final designs of the facilities. Further engagement opportunities will be provided in 2023-24, including the opportunity to provide feedback on the draft Environmental Impact Statement.

## Dog park upgrades

Canberra's furry friends will have two new dog parks to enjoy. A new fenced dog park will be built in the open space bound by [Nullarbor Avenue and Oodgeroo Avenue in Franklin](#) and on the corner of [Jim Pike Avenue and Woodcock Drive in Gordon](#).

A draft concept plan for each dog park was released for community feedback, with consultation on the YourSay website running from 28 September to 9 November 2022. The community was invited to provide feedback on the concept plans which outlined the proposed mix and location of facilities at the new dog parks including parking, access gates, paths, trees, water stations and waste bins as well as recreational infrastructure such as shade structures and seating.

Feedback was provided via online surveys and face-to-face pop-ups on 20 October 2022 at Lanyon Marketplace and Franklin shops. The survey on the Franklin dog park was completed by 157 respondents and the survey on the Lanyon dog park was completed by 190 respondents. An additional nine written responses were received. The final design plans for the new dog parks will be shared ahead of construction starting in 2023-24.

## Play space and park upgrades

Community engagement continued for [Better Play Spaces](#) in Ngunnawal, Aranda, Chisholm and Gordon. Following initial consultation in March 2022 on the location and type of play elements, equipment and amenities the community would like to see, feedback was analysed and preliminary designs were developed for further community



Image: the new, inclusive Ruth Park playground in Coombs, Molonglo Valley.

feedback in November 2022. The second stage of community engagement ran from 12 November to 11 December 2022. Final designs have been released for the play space upgrades which will cater to people of different ages and abilities, providing engaging and fun experiences that support physical health and wellbeing. Construction will start before the end of 2023.

Canberrans were invited to provide feedback from 28 September to 9 November 2022 on play space improvements at the [Lyons oval play space](#) and [Wakool Circuit play space in Kaleen](#) to ensure future upgrades meet the needs of the community. An online survey was available on the YourSay website and was completed by 74 people for Kaleen and 144 people for Lyons. Over 50 people also attended face to face pop-ups at the Kaleen and Lyons shops to have their say. Feedback informed the preliminary designs for upgrades at the play spaces. The preliminary designs were released for further feedback between 30 May and 27 June 2023. Feedback received during this second phase of engagement is being used to finalise the design ahead of construction procurement later in 2023.

The ACT Government is also progressing work to deliver a [new destination play space for the inner north](#). Feedback received from the community during the first stage of engagement identified key priorities including inclusive and accessible play, a variety of play opportunities for all ages, a special focus on nature play and climbing structures, and the need for well-connected active travel links and parking. In mid-2023 the second phase of engagement got underway, bringing together a diverse group of representative stakeholders to test and refine design concepts arising from the community engagement. Once this phase of the design process has been completed, a preliminary design will be prepared in the second half of 2023 and construction is expected to commence in 2024.

A new recreation park in Casey will provide a wider range of outdoor recreation opportunities for local residents and contribute to the health and wellbeing of the community. In early 2022, the community was invited to provide their initial thoughts on what the park should include. In September 2022 indicative designs were released for further feedback. We heard protecting the existing natural environment is important to the community. The indicative designs reflect this by retaining existing trees and understorey plantings and maintaining them as conservation areas into the future. Submissions via the YourSay website were received from 13 September to 10 October 2022. Feedback from the community and stakeholders was used to refine and finalise the design for the new community recreation park in Casey ahead of construction commencing in the second half of 2023.

## Age Friendly Suburbs program

The ACT Government is committed to enabling a healthy community environment, ensuring community infrastructure is accessible and inclusive to people at all ages and stages of their lives. The [Age Friendly Suburbs program](#) continued in 2022-23, with community engagement undertaken to identify improvements needed in Reid, Chifley, Scullin and O'Connor. Improvements in each of these suburbs have been identified through community path requests including Fix My Street data and suburb-wide desktop and on-the-ground analysis. Following engagement with targeted stakeholders including community and resident associations in each suburb, the community was invited to provide feedback on the improvements proposed.

From 12 October to 23 November 2022, 22 people completed an online survey on the YourSay website, 14 email submissions were received and we spoke to over 50 people at face to face drop-in sessions held in each suburb. The community asked for repairs to cracked, broken and uneven paths, wider paths, improved lighting and more seating, pedestrian crossings and traffic calming measures. The final designs for age friendly improvements will be released and construction is expected to commence in the second half of 2023.

## Shopping centre upgrades

### **Brierly Street upgrades, Weston**

The ACT Government is progressing with design work for a second stage of improvements to Brierly Street adjacent to Cooleman Court in Weston. In mid-2021 TCCS checked in with the local community and undertook further engagement to gather ideas and feedback on improvements people would like to see to Brierly Street and the surrounding areas. This feedback was aligned with what had previously



*Image: Garran shops, Woden, where Canberrans have provided feedback on parking improvements.*

been heard, the main themes being more trees and landscaping, improved pedestrian safety and better amenities including lighting.

Following targeted stakeholder engagement with local businesses and community groups, TCCS prepared preliminary designs for discussion with the community in July and August 2022 via the YourSay website and a face to face pop-up session. Changes were also proposed to timed parking restrictions at Cooleman Court to make it easier to find a park.

The final designs and changes to parking have been released to the community with construction starting in July 2023.

### **Garran shops parking**

Garran shops is a thriving community centre in Woden servicing locals and attracting visitors from further afield. It contains a range of businesses and services including hospitality, retail and health and wellbeing.

Each of these businesses require different parking facilities to support their work, from short stay parking (i.e. 30 minutes) to long stay parking (i.e. one or two hours) as well as all day parking. It is important the right mix of parking options is provided to support the needs of shoppers and traders. Parking capacity at the shops and surrounding areas is becoming an issue due to increased activity in the immediate and surrounding area.

Canberrans were invited to have their say on proposed parking improvements at Garran shops from 24 June to 5 August 2022. An online survey was open on the [YourSay website](#) and 302 surveys were completed as well as an additional 27 hard copy surveys at two face to face pop ups held at the Garran shops. Over 120 people attended the pop-up sessions. The community was also invited to provide feedback via email and social media.

Improvements are expected to be delivered in the third quarter of 2023.

### **Six local shop upgrades**

The ACT Government is delivering improvements to the public spaces at local shops with an aim of encouraging the use and enjoyment of the public spaces as well as encouraging the community to support local businesses and shop local. The current program of works includes major and minor upgrades at the Calwell, Evatt, Lanyon, Macquarie, Monash and Narrabundah shops.

In June 2023 preliminary designs for the [Calwell](#), [Evatt](#) and [Lanyon](#) shops were released, showing a range of upgrades that aim to improve safety,

accessibility and the look and feel of the space. The community was invited to provide feedback on the preliminary designs, including what proposed upgrades are most important to them. A survey was made available on the YourSay website or people could provide feedback face to face at drop-in sessions held in July and August 2023. Feedback from the community will help TCCS better understand the community's priorities for the planned upgrades and inform the final design for construction. In addition, stakeholder engagement was undertaken in June 2023 for minor upgrades at the Macquarie, Monash and Narrabundah shops including with local traders.

## **Draft Active Travel Plan**

Active travel is a fundamental part of the ACT Government's plans to improve the liveability and sustainability of our city. The ACT Government sought community input on a [new Active Travel Plan](#) exploring how to enable more Canberrans to ride, walk, scoot and skate more often. From 14 July to 24 August 2022 people could complete a survey on the YourSay website or write a submission with a focus on where to invest in missing links in the cycling network, where walking improvements are needed, and how we can make walking and cycling a more attractive travel option. Fifty-eight submissions were received. Feedback will be used to finalise the Active Travel Plan to be released in late 2023 and prioritise new active travel infrastructure improvements.

A detailed best-practice design guide for safe and people-friendly streets was also released for community comment from 5 May to 2 June 2023. The draft design guide presents non-technical principles and examples for best-practice design of intersections and streets that support all forms of transport including walking, riding and driving. These concepts balance safety, efficiency and attractiveness depending on the function of the street. The draft design guide was shaped and informed by best-practice examples and research



*Image: cycling and pedestrian improvements in the Woden Town Centre.*

from cities around the world. Once finalised the design guide will be used to inform future projects. Seventy-two submissions were received during the consultation.

## E-scooters

The community and stakeholders were invited to provide feedback on an [expansion of the ACT's e-scooter scheme](#). From 12 September to 24 October 2022 feedback was invited on the expansion to Gungahlin and Woden and from 8 December 2022 to 10 February 2023 feedback was invited for expansion to Tuggeranong, Molonglo and additional areas of Weston Creek and Woden Valley.

The community and stakeholders were invited to provide feedback on how the implementation of the scheme in the new operating areas met their needs. An interactive map was available on the YourSay website and received 46 pieces of feedback for the expansion to Gungahlin and Woden and 47 pieces of feedback for the expansion to Tuggeranong and Molonglo. In addition, a total of 29 written submissions were received.

Feedback received from the community will be used to review and refine the implementation of the shared e-scooter scheme in the expanded areas.

## Urban Open Space Land Management Plan

The ACT Government is responsible for managing and maintaining over 6,800 hectares of public urban open space and adjoining facilities. This includes urban parks, sportsgrounds, public cemeteries, dog parks, play spaces, skateparks, outdoor exercise equipment, street and park furniture, paths and green infrastructure such as trees, shrubs and grasses. The [draft Urban Open Space Land Management Plan](#) was prepared to help shape the future management and use of our public open spaces and ensure the plan reflects the needs of a growing and diverse community. The plan was released on the YourSay website on 24 May 2023

for community groups and local residents to have their say, with feedback invited until 15 August 2023. Feedback was received via an online survey, email submissions and five face to face drop-in sessions held in June and July 2023 at local parks and shopping centres across the ACT.

Community feedback will be used to finalise the Urban Open Space Land Management Plan, guiding the continuous improvement and shared management of our public open spaces for all Canberrans. Once finalised, the ACT Government will report on the implementation of the Plan at least every five years. The Plan will also be reviewed every ten years from commencement.

## Narrabundah stormwater upgrades

Following flood modelling undertaken for the whole of Narrabundah in 2019, a number of [priority upgrades](#) were identified. These include two retarding basins including at the Narrabundah Playing Fields along Captain Cook Crescent and within the urban open space in Throsby Park behind the Griffith shops and bordered by Throsby Lane and Throsby Crescent. Local residents were invited to provide feedback and ask questions at a face-to-face drop-in session on 26 November 2022. Feedback received informed the final design ahead of the submission of development applications for both locations.

## Ngunnawal neighbourhood oval upgrades

Upgrades at the [Ngunnawal Neighbourhood Oval](#) are planned to improve useability of the oval for local sporting teams and the community. Design work and technical surveys on site were completed to inform the location for the new infrastructure including ensuring the lighting is not intrusive on residential properties. In addition, local residents were invited to provide feedback and ask questions at a face-to-face drop-in session held on 21 March 2023. Construction is expected to start in the second half of 2023.

## Planting more trees

More trees are being planted across the ACT to enhance the urban forest. Since November 2019 and continuing throughout 2022-23, the community has been identifying where they should go. Planting locations will focus on areas where there is low canopy cover or where existing trees are ageing or dying. Using the [YourSay website](#), residents continued to drop pins on an interactive map to suggest where a tree could be planted, with 911 suggestions made.



Image: shared e-scooters operating in the Molonglo region.

## Community Support Initiatives: Grants and Sponsorship

TCCS supported Adopt a Park groups while Transport Canberra provided support to many community groups and events throughout 2022-23, as detailed in the sections below.

### Adopt-a-Park grants program

The primary objective of the Adopt-a-Park grants program is to promote long-term landscape resilience that provides benefits for the Canberra community, through strengthening the capacity of existing registered and “in-progress” volunteer groups to undertake ACT Government-endorsed projects.

Table 10: Adopt a Park programs supported by TCCS in 2022-23

Recipient	Volunteer group	Project purpose/summary	Grant Term (if applicable)	Amount (\$)
Ginninderra Catchment Group	Mount Rogers Landcare Group	Weed control, erosion control, app development on Mount Rogers, Fraser	12 Months	8,000.00
Ginninderra Catchment Group	Emu Creek Landcare Group	Weed control, understorey planting along Emu Creek, Belconnen	12 Months	5,000.00
Ginninderra Catchment Group	Crace Landcare Group	Weed control, understorey planting, landscape plan development around the Crace Pond, Crace	12 Months	5,000.00
Ginninderra Catchment Group	Lawson Landcare Group	Weed control, mulch, understorey planting, sign urban open space in Lawson	12 Months	8,000.00
Ginninderra Catchment Group	Kuringa Woodland Landcare Group	Weed control in Kuringa Woodland, Fraser	12 Months	10,000.00
Ginninderra Catchment Group	Hawker Landcare Group	Landscaping improvements in a park in Hawker	12 Months	12,575.00
Southern ACT Catchment Group	Hughes Garra Woodland Group	Spread/compact path gravel, understorey planting in urban open space between Hughes and Garra	12 Months	5,000.00
Units Plan 4323	Friends of Hassett Park	Mulch spread in established shrub beds in Hassett Park, Campbell	12 Months	5,972.00
Woden Valley Community Council	Tree-mendous Hughes Group	Weed control, understorey planting, habitat log, bush tucker plants in urban open space in Hughes	12 Months	9,000.00
Molonglo Conservation Group	Bragg Street Park Volunteers Group	Understorey planting in Bragg Street Park, Hackett	12 Months	3,300.00
Southern ACT Catchment Group	Cooleman Farm Neighbour Park Volunteer Group	Understorey planting, mulch, rocks in a park in Chapman	12 Months	15,000.00
Ginninderra Catchment Group	Croke Place Landcare Group	Cool burn education, understorey planting, mulch, planning document, for the Croke Place wetlands, McKellar	12 Months	5,000.00
Ginninderra Catchment Group	Multiple Volunteer Groups	Various environmental training courses for volunteer groups located in the Belconnen and Gungahlin Regions	12 Months	9,500.00
Weston Creek Community Council	Fetherston Gardens Friends	Landscaping improvements around Fetherston Pond, Weston	12 Months	4,783.00
Southern ACT Catchment Group	Kambah Heights Park Group	Understorey planting, rocks, mulch in a park in Kambah	12 Months	16,000.00
Ginninderra Catchment Group	Multiple Volunteer Groups	Various environmental training courses for volunteer groups located in the Belconnen and Gungahlin Regions	12 Months	10,000.00
Woden Valley Community Council (WVCC)	Friends of Mawson Ponds	Weed control, understorey planting in the parkland adjacent to Mawson Pond, Mawson	12 Months	3,000.00
O'Connor Community Incorporated	O'Connor Tocumwal Housing Precinct Landcare Group	Maintain hedges, weed control in O'Connor	12 Months	15,000.00

Recipient	Volunteer group	Project purpose/summary	Grant Term (if applicable)	Amount (\$)
Canberra Environment Centre	Cole Street Volunteer Group	Community workshops, understorey & tree planting, sign in a micro-forest in Downer	12 Months	8,000.00
Ginninderra Catchment Group	Friends of Wangara Parks	Erosion control, signs in a park in Aranda	12 Months	3,870.00
Southern ACT Catchment Group	Friends of Lower Strangers Pond Landcare Group	Understorey planting, brochure around Lower Stranger Pond, Bonython	12 Months	2,000.00
Southern ACT Catchment Group	Musgrove Musterers Group	Understorey planting in a park in Chapman	12 Months	6,000.00
Ginninderra Catchment Group Incorporated	Multiple Volunteer Groups	Develop, install awareness/educational signs in the Ginninderra Catchment	12 Months	8,000.00
Ginninderra Catchment Group Incorporated	Multiple Volunteer Groups	Supply and spread mulch in the Ginninderra Catchment	12 Months	8,000.00
Higgins Landcare Group (Ginninderra Catchment Group)	Higgins Landcare Group	Engage landscape designer in a park in Higgins	12 Months	10,000.00
Molonglo Conservation Group	Dawson St Gardens volunteers	Engage landscape designer for a park in Curtin	12 Months	4,000.00
			<b>TOTAL</b>	<b>200,000.00</b>



Image: members of the Cooleman Farm Neighbourhood Park Volunteer Group

## Transport Canberra support program

Table 11: Projects supported by Transport Canberra in 2022-23

Recipient	Project purpose/summary	Sponsorship date	Amount (\$)
Cota	Seniors Expo Sponsorship and Shuttle	Various throughout 2022	9,000.00
Donate4Life ACT	Charter bus to media launch	25/07/2022	280.30
Canberra FM	Pack the Bus 2022	28/11/2022-16/12/2022	20,140.00
ACT Fly Fishers	Casting for Recovery	25/03/2023-26/03/2023	200.00
Australian Army Catering Corp	Charter for reunion event	18/03/2023	886.55

Recipient	Project purpose/summary	Sponsorship date	Amount (\$)
Gilmore Primary School	Re-paint bus stop 1140 with Indigenous artwork (cost of graffiti coating)	24/06/2023	450.00
Cota	Seniors Expo Sponsorship and Shuttle	Various throughout 2022	9,000.00
Community Sector	NAIDOC Week event (free transport for event attendees)	05/07/2022	N/A
Hawker Primary School	Re-paint bus stop 4456 (cost of graffiti coating)	11/11/2022	450.00
Events ACT	Reconciliation Day Shuttle buses	29/05/2023	2,085.45
Yamile Tafur Rios and Carlos Mario Sanchez	Red Hill Bus Shelter re-paint (cost of graffiti coating)	05/05/2023	400.00
ACT Education Directorate	Charter Bus- Coronation Celebration BBQ	12/05/2023	506.75
Edward Mowat	Painting of Kambah Pool Bus Stop (cost of graffiti coating)	23/05/2023	400.00
EPSDD	National Reconciliation Week Event	02/06/2023	1,757.65
Donate4Life ACT	Donate4Life ACT (social media/website promotion, etc.)	24/07/2022-31/07/2022	N/A
Koori Preschool	Excursions sponsorship	Various dates throughout 2023	6,388.45
Celebrate Gungahlin Festival	Celebrate Gungahlin Festival 2022 light rail advertising campaign	Not applicable	690.00
Spilt Milk	Spilt Milk 2022 light rail special event services to provide safe and efficient light rail services for both our regular customers and customers attending the events	Not applicable	27,664.00
Summernats	Summernats 2023 light rail special event services to provide safe and efficient light rail services for both our regular customers and customers attending the events	Not applicable	25,611.00
Community Services Directorate	National Multicultural Festival 2023 light rail special event services to provide safe and efficient light rail services for both our regular customers and customers attending the events	Not applicable	29,324.00
Groovin the Moo	Groovin the Moo 2023 light rail special event services to provide safe and efficient light rail services for both our regular customers and customers attending the events	Not applicable	22,283.00
CMTEDD	Reconciliation Day 2023 light rail vehicle wrap campaign (in-kind value)	Not applicable	9,005.00
Radford College	Kindergarten excursion free light rail travel to learn about light rail safety	Not applicable	305.00
TrackSAFE Foundation	Annual donation to support the delivery of TrackSAFE Foundation initiatives and partnerships	Not applicable	5,000.00
National NAIDOC Week	NAIDOC Week 2023 light rail vehicle wrap campaign	Not applicable	3,742.25



Image caption: mural at Lyons bus stop (1140) painted by students of Gilmore Primary School.

# B9 Aboriginal and Torres Strait Islander Reporting

The Directorate continues to pursue outcomes supporting the wellbeing of Aboriginal and Torres Strait Islander Peoples under the [ACT Aboriginal and Torres Strait Islander Agreement 2019-2028](#) (the Agreement).

The ACT Agreement is implemented through four phases, with phase two commencing July 2022. During the reporting period, the Directorate reviewed progress against key reportable actions in TCCS' Phase One (Extension) Directorate Implementation Plan. This process informed the development of the Phase Two Directorate Action Plan.

The Directorate has shifted the focus from the quantity of activities to realising the direct impact of quality activities across the Directorate and with the Community.

During 2022-23, the Directorate worked to embed cultural integrity into its everyday work, and undertook a range of actions to develop meaningful relationships with the Aboriginal and Torres Strait Islander community, and support outcomes under the Inclusive Community and Economic Participation focus areas of the Agreement.

## TCCS Cultural Integrity Framework

The quality life outcome for the Cultural Integrity focus area is a society that supports the aspirations of all Aboriginal and Torres Strait Islander peoples and contributes to the building of respectful, equitable and sustainable communities.

Moving into phase two of the Agreement, the Directorate is focussing on practicing cultural integrity in a practical manner. During 2022-23, through the guidance of the TCCS Senior Cultural Advisor, the Directorate developed the TCCS Cultural Integrity Framework to empower TCCS to practice cultural integrity in its everyday business.

The Framework was launched in April 2023 and communicates 'cultural integrity is when we understand, respect and care about Aboriginal and Torres Straits Islander Culture and societies'. It is supported by an online resource, serving as a central point accessible to all employees for information about Aboriginal and Torres Strait Islander affairs, and the interactions of the Cultural Advisor across the Directorate.

During the reporting period, the principles of the Framework were also furthered through:

- > the implementation of a TCCS Yarning Group to meet six times per year based on the Ngunnawal Six Seasons calendar;
- > provision of twelve Aboriginal and Torres Strait Islander Cultural Awareness training sessions, completed by 88 employees, including all frontline staff from Libraries ACT branches and the ACT Heritage Library;
- > continuation of On-Country Appreciation Tours and Ngunnawal Language Training with Traditional Custodians (see [page 100](#)); and
- > collaboration with the ACT Office for Aboriginal and Torres Strait Islander Affairs to deliver a live-stream event discussing culturally safe workplaces during National Reconciliation Week.

The Directorate will continue to embed the Cultural Integrity Framework, and will perform a benchmark review of TCCS' current cultural competency to identify opportunities to increase understanding, value and recognition of Aboriginal and Torres Strait Islander cultures, histories and rights, and to inform an ongoing cultural learning strategy.

## Inclusive Community

The quality of life outcome for the Inclusive Community focus area is a self-determined and inclusive society where Aboriginal and Torres Strait Islander peoples are valued, respected and experience a life free of racism and systemic discrimination.

During 2022-23, the Directorate sought to honour and celebrate the richness and diversity of the world's oldest living culture through the following initiatives.

- > The Six-seasons Garden Bed was launched with members of the ACT Government, Aboriginal and Torres Strait Islander community and garden co-designer Tyronne Bell. The garden showcases plants of importance in each of the six seasons recognised by the local Aboriginal people.
- > A Light Rail Vehicle double carriage wrap was used to promote the ACT Reconciliation Day event on 29 May under the National Reconciliation Week umbrella, to encourage community participation in this important annual event. The campaign ran from early May to June.



Image: Senior Director of Yarralumla Nursery, Dr Matt Parker, Director-General, Alison Playford, and garden co-designer Tyronne Bell at the launch of the Six Seasons Garden Bed at Yarralumla Nursery.



Image: TCCS Senior Cultural Advisor, Jacob Collins, and Director-General, Alison Playford, in front of a light rail vehicle featuring the 'For Our Elders' wrap during 2023 NAIDOC week.



Image: a light rail vehicle featuring a double carriage wrap promoting the ACT Reconciliation Day event throughout National Reconciliation week.

- > A Light Rail Vehicle triple carriage wrap was used to showcase the 2023 National NAIDOC Week campaign artwork, 'For Our Elders', in recognition and memory of our Elders who have played, and continue to play, an important role in the community. The campaign ran from mid-June to July.
- > Libraries ACT investigated and implemented stickers to identify library materials of Aboriginal and Torres Strait Islander authorship or content.

## Economic Participation

The quality of life outcome for the Economic Participation focus area is the equality of access to employment and growth in Aboriginal and Torres Strait Islander business and community services organisations which drives economic development across their communities.

### Employment strategies for Aboriginal and Torres Strait Islander people

For the reporting period, the Directorate exceeded the ACTPS employment target of 2% Aboriginal and Torres Strait Islander employees, achieving 3% within TCCS (or 70 individuals who identify as an Aboriginal and Torres Strait Islander person).

The Directorate continued to investigate and develop strategies to attract, retain and develop Aboriginal and Torres Strait Islander People. A locally and wholly owned indigenous business was engaged to consult with the TCCS workforce and develop an Employee Value Proposition with the purpose of attracting and recruiting Aboriginal and Torres Strait Islander Employees. This Employee Value Proposition will be utilised by the Directorate in its position descriptions for jobs advertised throughout 2023-24.

### Engagement in capital works projects

During the reporting period, the Directorate engaged Aboriginal and Torres Strait Islander businesses and community groups in the delivery of infrastructure projects:

- > Upgrades to **Boomanulla Oval** were undertaken as part of the Local Roads and Community Infrastructure Program Phase 3. The principal contractor engaged to deliver the project works at Boomanulla is verified as a local Indigenous business on Supply Nation.
- > The **Southern Memorial Park – Stage 1** detailed design included consultation with local Indigenous community undertaken by Bagariin

Ngunnawal Cultural Consulting in partnership with the design consultant. The engagement event was conducted by hosting a Ngunnawal Yarning Circle on country at the proposed development site with several groups on 1 April 2023. The main purpose of the consultation was to ensure the new facility meets the needs of the Aboriginal and Torres Strait Islander people of Canberra and that a culturally safe place is provided for them.

- > The ‘**Six Suburbs Playground Upgrades**’ project engaged a local Ngunnawal cultural consultant (Bagariin Ngunnawal Cultural Consulting) to engage the local Indigenous community and develop thematic ideas and options for inclusion of culture which have been incorporated into the design of each playground.
- > New public toilets delivered at Lake Tuggeranong in Greenway, Lyneham shops and John Knight Memorial Park Belconnen all included **artwork wraps** by local indigenous artists, Kristie Peters (Yarrudhamarra Creations) and Steven Kennedy (Killara Art).

The TCCS Infrastructure Delivery team also incorporated Indigenous culture and business in capital works via collaboration with the City Presentation Indigenous Community Engagement and Programs Officer. Templates and documents such as Project Plans and Statement of Requirements include Acknowledgement of Country and references to consideration of culture in design processes and options for engaging Indigenous businesses.

Libraries ACT partnered with Coolamon Advisors to deliver the BADJI program in branches across our service. From February to June 2023, Coolamon Advisors ran drop-in sessions at the library for the Aboriginal and Torres Strait Islander community to access advice and resources that could assist them in starting a business.

In 2023-24, the Directorate will also seek opportunities to engage and commission local artists in the incorporation of Aboriginal and Torres Strait Islander art into the delivery of infrastructure projects.

- > The Monaro Highway and John Gorton Drive Molonglo River Bridge Design and Construct contracts included percentage for Indigenous business participation.
- > The Material Recovery Facility (MRF) tender currently out to market requires demonstration of commitment to Reconciliation through demonstrating how the providers will prepare a Reconciliation Action Plan to be developed and implemented if successful.



*Image: Local artist and Kamilaroi man Steven Kennedy stands in front of his mural 'Community Connections' on the public toilets at Lyneham.*



*Image: Steven Kennedy and students from Amaroo School paint the Amaroo pump-house.*



*Image: Wiradjuri artist Kristie Peters stands in front of her mural 'Moving Forward Together' on the public toilets at Hall.*

## Connecting the Community

The [Aboriginal and Torres Strait Islander community bus services](#) provides transport to those in the community who are unable to access standard transport services. The service enables Aboriginal and Torres Strait Islander elders' groups, juvenile and justice support groups, family groups and individuals to access medical appointments, significant cultural events, such as funerals, and social and sporting events. The community bus service provided 1,346 passenger movements in 2022-23.

The Directorate continued to maintain the Boomanulla Complex, which includes an oval, a commemorative garden, facilities building and an administrative building. During the reporting period, the activities room at the Boomanulla Complex was finalised to provide a safe space for Aboriginal and Torres Strait Islander groups to meet. TCCS will continue to work with the community to develop a sustainable operating model that will see greater control by the Aboriginal and Torres Strait Islander community, and increased use of this unique resource.

## TCCS Reconciliation Action Plan

In 2022-23, the Directorate engaged Curijo, a majority Aboriginal-owned company, to conduct a review of its second Stretch Reconciliation Action Plan (RAP) 2019-22 and hold workshops to develop the next iteration, being the 2023-26 Stretch RAP.

The third RAP will build on achievements to date and further embed Reconciliation into the Directorate's business strategies through its key focus areas:

- > Build and nurture stronger and more meaningful relationships with the Traditional Custodians, local Aboriginal and Torres Strait Islander community and within the ACT Government.
- > Embed the TCCS Cultural Integrity Framework.
- > Become an employer of choice for Aboriginal and Torres Strait Islander People.

The 2023-26 RAP will be launched in October 2023. Nggunawal artists Lynnice Church and Leilani Keen-Church created a striking artwork to accompany the RAP. The artwork represents the journey of reconciliation that TCCS along with the Nggunawal and Canberra Aboriginal and Torres Strait Islander community walk together. The artwork will be displayed in the TCCS Dickson Office Building and planning is underway for it to be adapted as a wrap on a light rail vehicle and bus, along with other TCCS vehicles and clothing.

### *In focus: Supporting children and young people - Koori Preschool*

A commitment within the Phase One (Extension) Action Plan to implement the ACT Aboriginal and Torres Strait Islander Agreement 2019-2028 involved investigating the possibility of a bus service to support an expanded early childhood 3+ program. As part of this commitment, Transport Canberra engaged with the Education Directorate to explore transportation requirements and understand what support would be most beneficial to the community, while keeping the commitment within the action plan front of mind.

Discussions focused on the Koori Pre-School Program, managed by the Education Directorate which operates at five sites across the ACT: Narrabundah, Nggunawal, Richardson, Wanniasa, and Kingsford Smith. This program is available for Aboriginal and Torres Strait Islander children aged between three and five within the ACT.

The Education Directorate confirmed that the Koori Pre-School Classes are well attended but a current barrier was costs associated with transportation, limiting access for excursions and subsequent connection to significant cultural sites.

Transport Canberra worked to identify support mechanisms to address this barrier. Transport Canberra was able to utilise existing budget to support the Koori Pre-School Program through provision of chartered buses. There is provision for up to 90 chartered services throughout the 2023 calendar year.

# B10 Work Health and Safety

The safety and wellbeing of staff continues to be a priority and a core value for TCCS and is managed under the statutory provisions of the [Work Health and Safety Act 2011](#). As the Work Health and Safety Management System has been established, the focus has moved to verification of implementation across the Directorate. An internal audit program is the mechanism for verification to ensure the system is fit for purpose across a diverse Directorate.

Consultation has continued through established Work Health and Safety (WHS) Committees. TCCS has established a tiered Health and Safety Committee structure consisting of the Work Health and Safety Steering Committee (Tier 1), Divisional WHS Peak Committees (Tier 2) and Branch/Business unit WHS Committees (Tier 3). The WHSSC meets quarterly and is represented by the Director-General, Deputy Directors-General, Executive Group Managers, Directors, Senior Managers, the elected Health and Safety Representatives (HSR) across the organisation and is Chaired by the Chief Operating Officer.

Throughout TCCS there are 61 elected Health and Safety Representatives.

Table 12: TCCS Work, Health and Safety consultative structure

Tier	Description
Tier 1	Directorate-wide WHS Steering Committee
Tier 2	Divisional Level WHS Committee
Tier 3	Branch/Business Unit WHS Committee

The Workplace Health and Safety Branch consists of five staff members with seven WHS officers embedded in TCCS business units, supporting the Directorate manage its WHS responsibilities. Highlights in 2022-23 included:

- > Undertaking an internal Work Health and Safety Management System audit program (15 audits) across Directorate in accordance with the internal WHS audit plan. Corrective actions were established at the Branch and Directorate level to address non-conformance and gaps in the Work Health and Safety Management System.
- > Delivering weekly safety dashboard reporting, enabling the Executive to respond to emerging issues in real time, with refined quarterly reporting including key performance indicator outcomes for work health and safety.

- > Responding to data around occupational violence and procuring a consultant to develop a TCCS occupational violence risk assessment to review the directorate's occupational violence management plan, aiming to reduce the impact of occupational violence incidents on staff in the Directorate.
- > Developing templates for 'Safety Risk' to be utilised by all Executive Branch Managers, along with WHS risk registers in each branch to ensure risk is adequately captured and effectively managed within the Directorate.
- > Updating Directorate WHS awareness training and supporting branches to increase mandatory training completion rates across the Directorate.

The WHS Branch delivered safe work month activities in October 2022 including six 'tradie tune up' (nurse led health assessments), eight sun smart and quit smoking toolbox talks, seven safe teas and two resilience webinars. Sessions were

## *In focus: In-house road worker safety campaign reinforces community messaging*

Responding to feedback from TCCS roadside workers about safety concerns, a comprehensive campaign was deployed including both visual design elements, reinforced with communication messages, across multiple internal communication channels. This raised awareness of the importance of following correct safety protocols and was delivered in parallel to an external campaign called '[See the Zones Obey the Cones](#)' campaign. The aim was to help staff understand why safety and following correct safety procedures should be top of mind at all times during work.



Image: roadside worker wearing Hi-Vis with traffic management items

promoted across a number of locations across City Presentation, Transport Canberra, Roads ACT, Yarralumla Nursery and at the main TCCS office at 480 Northbourne Avenue.

The influenza vaccination program was deployed across 13 locations within the Directorate and a voucher system was used to increase participation, with 1,079 employees participating in the program.

As a part of the ongoing cycle of continuous improvement of the Work Health and Safety Management System - SafetyNet, Safety and Wellbeing developed and implemented a WHS legislative and other updates procedure. The procedure is designed to assist the Directorate to identify updates that will impact on SafetyNet, determine the impact and changes required for the Directorate, update SafetyNet and advise the Directorate of the update, implications and response required. Using this procedure TCCS has responded to updates including the mandatory requirements of chemical management under the Globally Harmonised System of Classification and Labelling of Chemicals (GHS 7), Mandatory Crystalline Silica Awareness Training requirements for TCCS workers and updates to notifiable incidents under the [Work Health and Safety Act 2011](#) to include sexual assault notifications. See training numbers in the Human Resource Management section.

TCCS continued to support employees with work related injuries, endeavouring to assist workers return to their pre-injury duties. Where this has not been possible, and in line with professional medical advice, TCCS has facilitated the redeployment of two employees into alternate roles and vocational streams in line with their skills, capabilities, and interests. These positive outcomes ensure talented employees are retained by the Service and highlight the value to other employees who may be experiencing similar challenges.

TCCS implemented the chemical management system 'Chemwatch' across the 31 locations in the Directorate to assist maintaining compliance with the Globally Harmonised System of Classification and Labelling of Chemicals (GHS 7). Chemwatch ensures TCCS actively manages all chemicals across its footprint and allows workers to immediately access information related to the chemicals they use.

## Top 3 risks

Identified through the TCCS WHS risk register, the top three risks for staff within the Directorate affect operational areas. These are:

- > **Plant and Equipment** - TCCS manages risks associated with plant and equipment through pre purchase risk assessments, identifying hazards prior to commissioning of plant, risk assessments for plant in service, Safe Work Method Statements and appropriate training and licencing for workers using plant and equipment.
- > **Working at heights** - Controls for working at height include ensuring the most appropriate lifting equipment is used for the task (e.g. Elevated Work Platforms, platform ladders). Risk assessments for work at heights are completed and safe work method statements are in place. TCCS is developing a permit to work system which will include working at heights to be implemented in 2023-24.
- > **Working on or near roads** - A number of additional strategies have been implemented in 2022-23 including the recruitment of trained Temporary Traffic Management (TTM) implementors for branches who regularly undertake work requiring a TTM. Work on or near a road requires a risk assessment and safe work method statement as well as appropriate training and instruction for workers who need to implement, or work within, areas controlled by TTM.

## Enforcement measures

### Improvement notices

The Directorate received one improvement notice from WorkSafe ACT in 2022-23, relating to Capital Linen Service for contravention of section 19 (3)(f) of the [Work Health and Safety Act 2011](#). Specifically, failure to ensure appropriate safety signage present to warn of a particular hazard associated with hazardous chemicals.

In response to the notice, Capital Linen Service replaced signage to ensure it complied with requirements for safety signs in accordance with section 353 of the Work Health and Safety Regulation 2011.

### Prohibition notices

The Directorate received one prohibition notice from WorkSafe ACT in 2022-23 relating to City Presentation for contravention of section 19 (3)(f) of the [Work Health and Safety Act 2011](#). Specifically, workers were observed litter picking along Drakeford Drive, Tuggeranong, without appropriate signage in place.

In response to the notice, City Presentation staff were prohibited from undertaking litter picking

activities which required Temporary Traffic Management on Drakeford Drive until a safe system of work was implemented. A risk assessment was completed and a safe system of work developed in consultation with workers, including a standard operating procedure. In implementing the safe system of work, all workers were trained and inducted in to the new risk assessment and standard operating procedure.

## Accident incident reporting

### Notifiable incidents

During 2022-23 there were 1,225 workplace accidents or incidents reported across TCCS. Of those, 11 required notifications to WorkSafe ACT in accordance with Part 3, Section 38 of the [Work Health and Safety Act 2011](#).

## Australian Work Health and Safety Strategy

Reporting entities pay a first-tier workers' compensation premium and those who have 500 or more full time equivalent employees are required to report on the two following [Australian Work Health and Safety 2012-22 Strategy](#) targets:

- > Reduce the incidence rate of claims resulting in one or more weeks off work by at least 30 percent (see [Table 13](#)).
- > Reduce the incidence rate of claims for musculoskeletal disorders resulting in one or more weeks off work by at least 30 per cent (see [Table 14](#)).

The Directorate achieved both targets for 2022-23, indicative of the work undertaken to implement SafetyNet. A consistent approach to managing hazards in the workplace and reporting incidents and near misses as they occur has allowed the Directorate to respond to hazardous conditions early, driving down the numbers of new claims.

TCCS is composed of many individual businesses each with individual risks. A one size fits all prevention strategy is difficult to achieve. Some examples of strategies that are utilised within TCCS include the Whole of Government Early Intervention Physiotherapy Program to provide quick and early treatment for our employees. Transport Canberra Operations contracts its own Early Intervention Physiotherapy Program for its staff. Operational areas across the Directorate incorporate preventative measures such as stretching exercises before commencing work. New technologies such as improved bus seats and improved ergonomics in new buses assist in preventing injuries.

The [Australian Work Health and Safety Strategy 2023-2033](#) will define targets for future reporting periods. TCCS will strive for continuous improvement in these areas by improving manager response to incident timeframes and workplace inspection completion, which will improve corrective action timeframes and assist in injury prevention.

## Work Health and Safety Management System audits

### Internal audit program

An internal audit program was undertaken in 2022-23 across all TCCS business units to assess the legislative compliance and effectiveness of the Directorate's WHS policy and procedures and its health and safety management system. The audit verifies that management systems are in place and evaluates the implementation and effectiveness of those systems. The program commenced in July 2022 and was scheduled for completion in September 2023. The internal audit program will continue in 2023-24 focusing on corrective actions.

Key findings from the audit identified the following areas as opportunities for improvement:

- > making the ACTPS WHS policy more accessible;
- > ensuring all Branches have objectives and targets for WHS incorporated into Business Plans for 2023-24 onwards;
- > leveraging the Human Resources Information Management System (known as HRIMS) to capture all training completion in TCCS;
- > aligning all internal WHS incident management processes to the incident management guideline; and
- > aligning corrective actions processes to the corrective action procedure.

### Tier 2 – Risk Management Audit

In September 2022, TCCS participated in a Tier 2 WHS audit conducted in accordance with the ACTPS WHS Audit and Assurance Program 2021-2024 through the Chief Minister, Treasury and Economic Development Directorate (CMTEDD). The audit reviewed the Risk Management elements of the National Audit Tool, to determine conformance and identify opportunities for improvement. Libraries ACT participated in the audit as the Branch for TCCS.

### Tier 1 – External audit

An external audit was conducted by KPMG in accordance with the ACTPS WHS Audit and

Assurance Program 2021-2024. Findings from the Tier 1 audit were similar to the findings from the TCCS internal audit program, and corrective actions were developed to address the findings and align the WHSMS to ISO:45001. Implementation will be monitored through the Safety and Wellbeing Branch corrective action register.

#### Priorities for 2023-24:

- > Complete the Work Health and Safety Management System internal audit program and verification activities, then work with all branches of the Directorate to improve their safety maturity and address non-conformances.
- > Complete corrective actions from the Tier 1

external audit to address gaps in the WHSMS and further align the Directorate WHSMS to ISO45001.

- > Implement the actions from the occupational violence review and establish the occupational violence management plan 2024-26.
- > Expand the safety due diligence training program beyond Executives to include SOG-A and SOG-B (equivalent) level within the Directorate.
- > Mature the safety network in the Directorate to support the implementation of the WHSMS across every branch and bring together subject matter experts to share knowledge and deliver better outcomes for the Directorate as a whole.

Table 13: Target 1 - reduce the incidence rate of claims resulting in one or more weeks off work by at least 30 per cent by 2022

Financial year	# new 5 day claims	Rate per 1000 employees	TCCS Target	ACTPS # new 5 day claims	ACTPS rate per 1000 employees	ACTPS Target
2012-13	34	18.95	26.42	274	13.42	12.08
2013-14	48	26.80	25.61	257	12.20	11.70
2014-15	41	23.19	24.79	229	10.49	11.33
2015-16	26	14.42	23.97	205	9.36	10.96
2016-17	40	24.35	23.16	243	10.91	10.58
2017-18	33	19.82	22.34	202	8.93	10.21
2018-19	33	17.68	21.52	201	8.50	9.84
2019-20	33	17.98	21.12	231	9.32	9.46
2020-21	52	24.53	20.99	325	12.46	9.09
2021-22	38	18.38	20.12	255	9.37	8.72
2022-23	<b>35</b>	<b>16.46</b>	<b>20.12</b>	<b>255</b>	<b>8.98</b>	<b>8.72</b>

Table 14: Target 2 - reduce the incidence rate of claims for musculoskeletal disorders (MSD) resulting in one or more weeks off work by at least 30 per cent by 2022

Financial year	# new 5 day claims	Rate per 1000 employees	TCCS Target	ACTPS # new 5 day claims	ACTPS rate per 1000 employees	ACTPS Target
2012-13	27	15.05	19.08	183	8.96	8.29
2013-14	31	17.31	18.49	175	8.31	8.03
2014-15	32	18.10	17.90	144	6.63	7.78
2015-16	21	11.65	17.31	146	6.67	7.52
2016-17	22	13.39	16.72	150	6.72	7.26
2017-18	23	13.81	16.13	128	5.66	7.01
2018-19	18	9.64	15.54	102	4.31	6.75
2019-20	18	9.81	15.25	126	5.09	6.49
2020-21	29	13.68	16.09	194	7.44	6.24
2021-22	20	9.67	15.43	118	4.33	5.98
2022-23	<b>18</b>	<b>8.46</b>	<b>15.43</b>	<b>106</b>	<b>3.73</b>	<b>5.98</b>

# B11 Human Resource Management

TCCS employment programs are strategically designed to attract, build, and retain a competent, resilient, and diverse workforce to deliver a wide range of services. To enable this, the Directorate is focused on building a positive, safe, and inclusive workplace culture aligned with the TCCS values.

A key highlight of 2022-23 was the launch of the TCCS Cultural Integrity Framework on 26 April 2023. This Framework outlines how cultural integrity involves understanding, respect and care for Aboriginal and Torres Strait Islander cultures and societies.

Another highlight was an increase in staff who have completed the mandatory training program (see [Strategic Indicator 3.2: A great place to work – staff undertaking mandatory training](#)). This was a result of improved communications raising awareness with employees and business areas, and the inclusion of mandatory training reporting within the Compliance Assurance Statements completed by Executives. The learning and development service offering remains contemporary by ensuring legislative compliance and alignment with occupational requirements, for example, the introduction of Silica training where over 350 employees have received training to meet the new requirement and ensure their ongoing safety.

In March 2023, TCCS participated in the ACT Public Service Survey. TCCS achieved a response rate of 65 per cent, which was above the ACTPS average (63 per cent). Of TCCS survey respondents, 78 per cent said that, on balance, TCCS is a truly great place to work. TCCS respondent survey results also rated TCCS as having:

- > Engagement: 72%
- > Commitment and loyalty: 68%
- > Satisfaction: 76%

In 2022-23, TCCS worked with the Office of Industrial Relations and Workforce Strategy, CMTEDD, to negotiate common core elements and Schedules specific to the Directorate within the Infrastructure Enterprise Agreement, and enable its certification with other Enterprise Agreements.

The Non-English Speaking Background Communication Plan was prepared as a deliverable of the Internal Communications and Engagement Strategy 2022-2024. This plan is linked to the key initiative – “Include”, and aims to increase the inclusion of non-English speaking background employees by translating key TCCS documents into

top languages spoken in TCCS.

The Diversity and Inclusion Committee met quarterly and facilitated cross-network collaboration and support. The Director-General chairs these meetings and leads accountability with TCCS Executive Sponsors and Co-Chairs to deliver the Directorate’s diversity and inclusion initiatives in line with the Diversity and Inclusion Strategy 2020-2023.

## People strategy

The [People Strategy 2019-23](#) sets the direction for people-related activities in TCCS. The goal is to shape TCCS as an organisation of skilled and committed employees who understand the contribution their role makes in achieving the TCCS vision and mission. This vision cannot be achieved without the commitment and engagement of TCCS’ employees and workers. The People Strategy was reviewed in 2022 with 14 actions identified for continuation in 2022-2023. The People Strategy is due to expire in December 2023. The remaining actions remain relevant and fit for purpose as measured against our employee voice in the 2022 Pulse Survey and recent 2023 ACTPS Survey. It has therefore been proposed that the People Strategy be extended to 2024 to align with the term of the [TCCS Strategic Plan 2021-2024](#).

The People Strategy identifies five priorities:

- > purposeful leadership;
- > attracting the right people;
- > a great employee experience;
- > creating pathways to grow; and
- > shaping a diverse and inclusive workforce.

The People Strategy’s ongoing implementation is guided by a comprehensive roadmap outlining key initiatives spanning the length of the Strategy.

## Purposeful leadership

The TCCS values play an important role in creating an enjoyable work environment for all our employees. This common set of embedded values and clear expectations provide clarity about the positive behaviours that each of us can contribute every day.

### Leaders Forum

TCCS hosted three (3) Leaders Forums during 2022-23, targeting approximately 250 senior officer level employees and executives.

The forum topics were: Understanding tough conversations (April 2022); Diversity and inclusion (November 2022); and Work Health and Safety responsibilities (April 2023).

### ***Operational Frontline Managers program***

The TCCS Operational Frontline Managers program is designed to deliver leadership and management skills to our operational frontline leaders. At its completion, participants are awarded a Certificate IV in Leadership and Management.

In 2022-23, TCCS commenced delivery of one program in partnership with the Environment Planning and Sustainable Development Directorate (EPSDD) with 20 participants taking part. The program commenced in June 2023 and will conclude in December 2023.

### ***Leadership Development program (Senior Officers)***

A review of the Senior Officer Leadership Development Program is being undertaken considering the ACTPS' move to tailor and deliver a whole of Government leadership program targeting this audience.

TCCS undertook a procurement activity in 2023 for the development of a managers induction program to equip new and emerging managers with the skills required when stepping into a leadership role.

### ***WHS for managers***

Work Health and Safety for managers is planned for and will be incorporated into a Managers and Supervisors induction program, set for delivery in late 2023.

This induction program will incorporate modules relevant to the role of managers and supervisors, align with Safety Net.

### ***Coaching and Mentoring Skills***

TCCS procured a provider to deliver the Coaching and Mentoring program for Managers in May 2023. The program will be available to existing and emerging people leaders at the ASO-6 and equivalent classifications and above levels.

This program supports priority five of the Learning and Development Strategy through providing opportunities for our people to share knowledge, skills and experience with the wider directorate. Delivery of this program will extend into 2024, with an option to extend for a further six months.

### ***Domestic and Family Violence for Managers***

TCCS is committed to promoting the prevention of violence against women and men. TCCS encourages

all staff to participate in Domestic and Family Violence Awareness Training and any related Events. To support this commitment, 30 employees received specialised training through the 'train the trainer approach' equipping them with the knowledge.

### ***Attracting the right people***

TCCS strives to attract the right people to the right job at the right time. The [Directorate's Employee Value Proposition](#) is detailed on the Directorate website, outlining what makes the organisation unique and a message to prospective candidates and current employees highlighting why they should choose to work for TCCS.

As part of its recruitment strategy, TCCS developed an Employee Value Proposition (EVP) in 2020-21. Since its development, it has been widely used on position descriptions for job advertising.

In 2023, TCCS refined existing Employee Value Propositions and developed additional Employee Value Propositions, including:

- > Aboriginal and Torres Strait Islander Peoples (developed);
- > People with a disability (refined);
- > Veterans (drafted for consultation);
- > Youth (developed); and
- > Migrants/Visa Holders (developed).

TCCS will harness these Employment Value Propositions in its approach to attracting and retaining talent within its workforce throughout 2023-24.

### ***ACTPS Graduate Program***

TCCS hosted five graduates in the 2023 ACTPS Graduate Program. These placements were within the branches of Finance, Legal and Contracts, Libraries, Chief Information Office, and Development Coordination. TCCS also hosted graduates from other directorates (7 in total) as part of the program.

Upon successful completion of the program, the five graduates will be permanently appointed into ASO5 positions within the directorate.

### ***Best Practice Recruitment***

Completing Best Practice Recruitment training is a mandatory requirement for all Panel Chairs and is actively promoted for all employees likely to assume a panel member role on recruitment selection panels.

This program is delivered in two elements, the first an e-learning module providing the foundational

policy and compliance knowledge and the second is a face-to-face one-day workshop equipping employees with the skills to competently initiate, deliver and close out a recruitment process using best practice methodology.

A total of 121 employees completed the eLearning module, and seven one-day workshops were delivered to 108 employees.

### **Co-design recruitment strategies for relevant business units**

People and Capability continued to work with business units to co-design targeted recruitment strategies, designed to suit the business units and attract the right candidates.

### **Career Expositions**

TCCS took part in the 2022 Canberra CareersXpo and 2023 Marist College Career Evenings.

Additionally, the Entry Level Program Strategy identified seven expositions to attend in 2023-24: Canberra CareersXpo, University of Canberra (UC) Orientation Week, Australian National University (ANU) Orientation week, University of New South Wales (UNSW) Career Fair, Canberra Institute of Technology (CIT) Open Day, Marist College Career Evening and the Lake Tuggeranong College Career Night. These expositions will be used to attract the right people to the right roles to support workforce planning.

### **City Services Traineeship**

The pilot Traineeship is underway, with the trainee cohort commencing in quarter four of the 2022-23 year within the City Presentation branch. The program will run for a period of 18 months, with on-the-job training, mandatory ACT Public Service and TCCS training, and accredited training provided through the Canberra Institute of Technology which

### ***In focus: TCCS launches its inaugural Traineeship Program***

In 2022-23, the pilot City Services Traineeship Program was implemented. The program was created to develop and support initiatives outlined in the TCCS People Strategy and TCCS Strategic Vision and Mission, with objectives being:

- > Creating another job entry pathway into the Directorate.
- > Increasing workforce gender composition.
- > Addressing an aging workforce and putting succession planning in place.
- > Further attracting Aboriginal and Torres Strait Islander people to TCCS.

The pilot program was rolled out within the City Presentation branch of City Services to diversify their staff representation. The program aims to target:

- > Disparity in workforce gender composition.
- > An aging workforce and potential loss of organisational knowledge as this cohort moves to retirement.
- > Low alignment with the ACT Aboriginal and Torres Strait Islander Agreement 2019-2028 and other diversity strategies.

In 2022, promotion, planning and advertising commenced to implement the pilot City Services Traineeship Program. In 2023, the inaugural trainee cohort were embedded, undertaking the duties of a General Services Officer 3/4, such as:

- > Shrub bed maintenance.
- > Planting of trees, shrubs and floral displays.
- > Mowing, mostly using ride on machinery.
- > Cleaning activities - rubbish removal and toilet cleaning.
- > Pest control - use of various spray equipment to apply herbicides, pesticides, and fungicides.
- > Tree Surgery work – use of chainsaws, elevated work platforms and woodchippers.
- > General maintenance work in parks, sports grounds and other urban facilities.

Underpinning these duties, various trainings and accreditations are scheduled, spanning 2023-24.



Image: students at the 2022 Canberra CareersXpo.

will underpin the role requirements and professional development of the General Service Officer 3/4.

### **Entry Level Program Strategy**

In 2023, People and Capability developed the Entry Level Program Strategy which outlines how TCCS will attract, build and retain a capable and resilient entry level workforce aligned with customer service delivery.

The Entry Level Program Strategy contains a total of six programs with five participant targets and one CareersXpo target. In 2023 TCCS has completed four of the five targets.

In 2023 the TCCS Entry Level Program recruited six graduates, hosted a rotation placement for seven graduates, six trainees in Place Management, six work experience placements in Domestic Animal Services, Yarralumla Nursery and Urban Treescapes and attended three career expositions.

### **Internship Program**

TCCS Communications hosted four interns as part of a partnership with University of Canberra.

The interns each completed 100 hours, doing primarily graphic design work to help produce content such as reports, signs and social media tiles. Some of the interns also did photography and videography.

These internships offer valuable experience in a government setting, the chance to create a portfolio of items to show future employers and an opportunity to have referee reports. The interns all made a valuable contribution to the team and assisted with workload pressures.

In 2023-24, our internship program will also include a number of interns from the ANU Australian National Internship Program (ANIP) who will undertake a variety of policy based research across the areas of sustainability and adaptation planning, road transport penalties review and public transport data reporting.

## **A great employee experience**

TCCS seeks to provide a great employee experience. This commences with the targeted and deliberate onboarding and induction of new and returning employees. The mandatory TCCS Directorate induction provides a consistent and effective process that sets expectations of behaviour, performance, compliance, and an understanding of TCCS structure and functions.

### **Director-General Awards**

The Director-General Awards are an opportunity to recognise our best people and their achievements,

including those who work behind-the-scenes and often go unnoticed. Each year from here-on, the

To encourage more input from customer service and field staff, nominations could be received via a range of devices with a Microsoft Teams link or QR code, making it quicker and easier to submit.

There was a strong response from the Directorate: A total of 39 nominations were received recognising employees across the organisation, demonstrating our diversity and talent.

A communications campaign captured an online and in-person awards ceremony on 7 December 2022, allowing employees to celebrate their colleagues' achievements.

### **Staff Recognition Program**

The TCCS Recognition Framework and Toolkit documents were refreshed and collated into a single document to improve accessibility and understanding for all employees. The review refined language and updated the document to reflect the current TCCS Strategic Plan and branding. These documents included an instructional framework breaking recognition into three core components – everyday recognition, formal recognition led by managers, and recognition for excellence - with practical tools and instructions provided for each component.

An Internal Communications Plan is in development to ensure roll-out and distribution is as effective as possible. This will support the existing recognition through the integration of strengthened recognition practices to acknowledge and celebrate the achievements of individuals and teams in categories aligned to the Directorates vision and mission statement and values.



*Image: TCCS Risk team, Matthew Neilsen and Lynnet Bridgfoot, receive the Director-General award for 'Excellence' from TCCS Director-General, Alison Playford*

### **Internal Communication and Engagement**

People and Capability delivered a suite of engaging content across multiple internal communication channels accessible by all employees to help individual understanding of the Directorate and how each employee contributes to the strategic objectives and Government priorities and to celebrate and recognise employee's work through engaging internal communication content.

### **Safety campaign**

Safety is a TCCS core value and signature behaviour. The health, safety and wellbeing of our workforce is always a high priority for the ACT Public Service and TCCS. Read more about internal safety campaigns at [B10 Work Health and Safety](#).

### **Secure Employment Framework and Conversions**

Seven temporary and casual staff across the Directorate were converted to permanent roles in line with the ACT Government's Secure Employment Framework with others reviewed and considered on a quarterly basis.

### **Creating pathways to grow**

Professional development continues to be a priority area for TCCS, with a focus on building capacity and supporting growth to meet future demands. The TCCS Learning and Development Strategy 2020-2023 identifies 26 actions over five key priority areas of:

- > a fit-for-future workforce;
- > people developing people;
- > inclusive and diverse development opportunities;
- > a great learning experience; and
- > engaging the right people.

### **Learning and Development Strategy**

The TCCS Learning and Development Strategy 2020-2023 contains a total of 26 action items to assist TCCS leaders and employees in creating pathways to grow, with 21 actions completed under the strategy with the remaining actions nearing completion.

### **Undertaking mandatory training**

The directorate continues to commit to ensuring that all workers have the skills, knowledge and capability to contribute to the continuous improvement of TCCS safety and wellbeing outcomes.

This commitment is demonstrated by implementing a structured and consistent mandatory training program that sets clear expectations for behaviour,

safety and compliance. This indicator will be measured through monitoring of mandatory training completion with a target of 75 per cent.

### **Performance Development Plans**

TCCS continued to encourage a high level of uptake in the use of Performance Development Plans (PDPs). This included the development and roll out of group PDPs for operational teams and groups of similar classifications and duties, as well as the introduction of a PDP Conversation Guide targeted towards managers to support and enable capability uplift.

### **Training Calendar**

The TCCS training calendar 2022-2023 was developed, offering 48 different training programs for employees to access. Six program categories included foundational, diversity and inclusion, operational, corporate and business, leadership and management, and wellbeing.

### **Certificate III in Government**

The Certificate III in Government is offered to TCCS Operational employees to encourage and allow for progression to a higher classification with 12 employees completing the program in March 2023.

### **Shaping a diverse and inclusive workforce**

Under the [ACT Government's Respect, Equity, and Diversity Framework](#) (RED), the Directorate continues to provide training, education, and resources to help all employees build and maintain positive workplace culture. RED Contact Officers (REDCO) continue to be available to employees who experience difficulties at work.

In 2020, the Directorate developed a Diversity and Inclusion Strategy 2020-2023. The Strategy focuses on four key areas:

- > leadership and planning;
- > attracting and recruiting a diverse workforce;
- > developing and retaining a diverse workforce; and
- > shaping workplace culture to evolve our workplace diversity and inclusion.

### **Diversity and Inclusion Committee**

TCCS' Diversity and Inclusion Committee oversees employee-led Diversity and Inclusion networks.

The Director-General chairs committee meetings once every 3 months and Executive Sponsors, Chairs and Co-Chairs provide network updates, identify areas for collaboration, discuss risks and seek guidance on diversity and inclusion matters.

### ***Diversity and Inclusion Networks***

TCCS have established, expanded and refreshed the Diversity and Inclusion Networks including:

- > RED Network
- > Reconciliation Actino Plan (RAP) Committee
- > Mental Health
- > Veteran's Network
- > Women's Network
- > PRIDE Network
- > Domestic and Family Violence
- > Disability and Carers Network

TCCS planned events and recognised significant dates aligning with each of the networks with the aim to increase awareness, share knowledge and provide engagement opportunities.

TCCS Diversity and Inclusion networks produced Network Action Plans, clearly laying out priorities and actions for 2022-2023. These Action Plans are reported against at each Diversity and Inclusion Committee meeting.

#### ***Deliver diversity training for SOG-C (or equivalent) and above***

The Directorate delivered 13 face to face Respect, Equity and Diversity training sessions in the 2022-23 financial year with a total of 137 employees attending.

A total of 840 employees completed the e-learning RED program in the 2022-23 financial year.

For employees of a classification of SOG-C and above (including equivalent classifications) it is mandatory to complete Cultural Awareness and Disability Awareness training. TCCS provided 12 Aboriginal and Torres Strait Islander Cultural Awareness training sessions with 88 employees completing the training. TCCS also offered Ngunnawal Language and Cultural Appreciation tours for employees. A total of 50 employees completed Ngunnawal Language training and 21 employees completed the Cultural Appreciation tour.

Face to face Disability Awareness training was completed by 46 TCCS managers and a further four completed the Whole of Government e-learning Disability Awareness training.

LGBTIQ+ e-learning was made available for TCCS employees to complete and a total of four TCCS employees completed this training.

### ***TCCS Respect Equity Diversity Framework***

The Directorate has a diverse Respect Equity Diversity Contact Officer (REDCO) cohort, with 24 employees representing a range of levels, business areas and work types.

Regular meetings ensure that REDCOs feel connected and supported and that they are offered growth and development opportunities. Employee Relations and the TCCS SERBIR provided information to REDCOs at meetings in February and March 2023. REDCOs are developing an information depository to support them in their role.

Nine RED contact forms were submitted by REDCOs between 1 July 2022 and 30 June 2023. An aim for 2023-24 is to raise awareness around REDCOs as a source of support in the workplace and encourage positive reporting using the RED contact forms. An increase in reporting will aid in improving data collection and cultural knowledge and inform improved responses to issues.

#### ***Non-English Speaking Background Communication Plan***

The Non-English Speaking Background Communication Plan was prepared as a deliverable of the Internal Communications and Engagement Strategy 2022-2024 and is linked to the key initiative, "Include", which aims to increase the inclusion of non-English speaking background employees by translating key TCCS documents into top languages spoken in TCCS.

The Non-English Speaking Background Communication Plan targeted TCCS employees whose first language is a language other than English, which is approximately 20-25 per cent of the workforce.

After thorough research and consultation, four key documents were translated into two languages; Hindi and Punjabi. A communication campaign across multiple internal channels was delivered to make employees aware of the translated documents.

#### ***Aboriginal and Torres Strait Islander talent register***

The Directorate continued to consider and develop strategies to attract, retain and develop Aboriginal and Torres Strait Islander people. In 2022-2023, a local and wholly owned indigenous provider was engaged to consult with the TCCS workforce and develop an Aboriginal and Torres Strait Islander Employee Value Proposition with the purpose of attracting and recruiting indigenous employees.

The intention to provide an Aboriginal and Torres Strait Islander Talent Register was explored, however, feedback from indigenous staff suggested this was not a preferred method or likely to be supported. TCCS will continue to consult and engage with its employees, industry and community partners to raise its profile as a first-choice employer and explore opportunities to realise this ambition.

## Priorities for 2023-24:

- > Continued delivery and reporting on the actions remaining under the 2019-23 People Strategy, due to expire in December 2023.
- > Communicate and implement Enterprise Agreement outcomes.
- > Deliver programs outlined in the Learning and Development Strategy 2020-2023 including the procurement and development of a TCCS Skill Matrix, Coaching and Mentoring program for Managers, New Managers Induction Program and Building Resilience.
- > Deliver a Directorate-wide skills and capability matrix. It is anticipated that this will be delivered in three phases across a nine-month period, beginning in September 2023. The first phase will target the General Service Officer and Technical Officer cohort.
- > Partner with CMTEDD and colleagues across the Service to maximise the benefits and functionality of the HRIMS Learning Management System and realise improvement the platform's launch in April 2022.

- > Deliver actions under the Diversity and Inclusion Strategy and implement recommendations from the 2023 review.
- > Deliver against the 2023-24 training and development calendar, offering both face to face and e-learning options increasing flexibility to the TCCS workforce.
- > Deliver, review and report on the actions remaining under the 2022-24 Internal Communications and Engagement Strategy.
- > Develop guidance material and tailor professional development support to build manager capability as it relates to identifying, assessing, and resolving workplace issues.
- > Take a leading role in informing and shaping the ACTPS General Service Officer Classification Review as committed to under the Infrastructure Services Enterprise Agreement.
- > Continue to undertake quarterly assessments of casual and temporary employment arrangements across the Directorate to ensure compliance with the Secure Workforce Conversion Policy.
- > HR Business Partners will continue to work closely with their respective divisions to implement strategic workforce planning practices. This work is designed to meet current and future challenges as well as the achievement of current goals and objectives. Increasing capability, succession planning, and culture action planning are key priority areas.

## Workforce profile

Table 15: Full-time equivalent (FTE) and headcount by division as at 30 June 2023

Division	FTE	Headcount
Chief Operating Officer	125.6	128
City Services	671.6	677
Office of the Director-General	17.8	19
Transport Canberra and Business Services	1269.5	1482
<b>Total</b>	<b>2084.4</b>	<b>2306</b>

Table 16: Full-time equivalent (FTE) and headcount by gender as at 30 June 2023

Gender	FTE	Headcount
Male	1523.2	1692
Female	559.3	612
Non- Binary	2.0	2

Table 17: Headcount and percentage of total workforce by diversity group as at 30 June 2023


Table 18: Headcount and classification by gender as at 30 June 2023

Classification	Female	Male	Non-binary
Administrative Officers	203	98	0
Bus Operator	109	792	0
Capital Linen Service Officers	35	34	0
Executive Officers	11	18	0
General Service Officers and Equivalent	53	417	1
Information Technology Officers	0	1	0
Professional Officers	22	42	0
Rangers	0	4	0
Senior Officers	148	178	1
Technical Officers	21	48	0
Trainees and Apprentices	5	14	0
Transport Officers	5	46	0

Table 19: Headcount by employment category and gender as at 30 June 2023

Classification	Female	Male	Non-binary
Casual	18	126	0
Permanent Full-time	419	1190	2
Permanent Part-time	120	250	0
Temporary Full-time	55	124	0
Temporary Part-time	0	2	0

Table 20: Headcount by age group and gender as at 30 June 2023

Employment category	Female	Male	Non-Binary
Under 25	21	40	0
25 – 34	122	197	2
35 – 44	167	419	0
45 – 54	179	474	0
55 and over	123	562	0

Table 21: Headcount by age group and gender as at 30 June 2023

Employment category	Female	Male	Non-Binary
Average years of service (years)	8.0	9.5	2.7

Table 22: Recruitment and separation rates as at 30 June 2023

Description	Recruitment	Separation
Rate <sup>1</sup>	11.3%	7.8%

<sup>1</sup> The recruitment rate represents permanent appointments to Transport Canberra and City Services. It is calculated by dividing the number of staff appointed as permanent officers by the average permanent headcount. Permanent appointments include staff recruited from outside ACT Public Service, or staff who were already employed within ACT Public Service on a temporary or casual basis who have been appointed as permanent officers. The separation rate represents permanent separations from the ACT Public Service. It is calculated by dividing the number of permanent separations by the average permanent headcount.

## Gender Action Plan and Gender Impact Assessment Reporting

The Directorate provided feedback to inform the ACTPS Gender Equity Strategy 2023-28 Consultation Draft. TCCS will, in-line with the requirements set out within the Parliamentary and Governing Agreement for the 10th Legislative Assembly, commence in 2023-24 the development and implementation of a Gender Action Plan that addresses key areas for improvement on workforce gender equality.

The Directorate aims to combat social stigma around men seeking help and support. As the majority of the TCCS workforce identify as male, the

Directorate promotes men's health and wellbeing through messaging, events and training. Engaging newsletter articles promoted MensLine (April 2023) and Men's Health Week (12 to 18 June 2023) to all staff.

The TCCS Pride Network aims to provide a safe space for gender diverse people. Regular meetings and events allow space for support and networking. TCCS has given out 600 rainbow, branded lanyards, which aim to be a visible reminder of support and acceptance of gender diverse people. The Light Rail team developed a rainbow artwork design for a light rail vehicle for Pride Month (June) 2023. This signalled to gender diverse employees and commuters that TCCS is committed to inclusion and respect for people of all genders.

Table 23: TCCS gender pay gap by classification group as at 30 June 2023

Classification Group	Female Average Salary (\$)	Male Average Salary (\$)	Pay Gap
Administrative Officers	88,405	87,195	-1.4%
Bus Operators	80,420	81,235	1.0%
Capital Linen Service Officers	64,751	71,555	9.5%
Executive Officers	232,573	231,305	-0.5%
General Service Officers & Equivalent	60,519	67,579	10.4%
Information Technology Officers	0	93,179	100.0%
Professional Officers	91,051	95,684	4.8%
Rangers	0	66,058	100.0%
Senior Officers	140,736	142,344	1.1%
Technical Officers	90,333	91,531	1.3%
Trainees and Apprentices	47,042	53,745	12.5%
Transport Officers	107,315	104,357	-2.8%



Image: members of the TCCS Pride Network stand in front of a Light Rail Vehicle featuring a rainbow artwork design during Pride Month 2023.

# B12 Ecologically Sustainable Development

The Directorate is committed to sustainability and reducing greenhouse gas emissions across all areas of Transport Canberra and City Services.

In meeting this commitment, the Directorate is guided by the [ACT Climate Change Strategy 2019-2025](#), as well as the [Zero Emissions Government Framework](#) which guides the Directorate towards achieving the ACT Government commitment of net zero emissions from operations by 2040.

With most of TCCS' emissions stemming from the use of transport fuels, the Directorate is implementing the [Zero Emission Transition Plan for Transport Canberra](#). As outlined in this section, the Directorate made significant progress in the electrification of the Transport Canberra bus fleet. Emission reduction work is also occurring in the City Services Division with the successful trial of an electric compact street sweeper and electric mini excavator with one of each due to enter the fleet in 2023-24.

TCCS is also reducing emissions by reducing our reliance on gas and, where gas alternatives are not yet available, improving gas efficiency in operations such as Capital Linen Services.

The Directorate also helped reduce emissions in the community through programs such as the Active Streets for Schools program and construction of the second stage of Belconnen bikeway, which was finalised in 2022-23.

Business units also worked to reduce waste and recycle more in various operations, as well as incorporating recycled content into infrastructure projects, such as trialling the use of recovered plastic fibres in concrete.

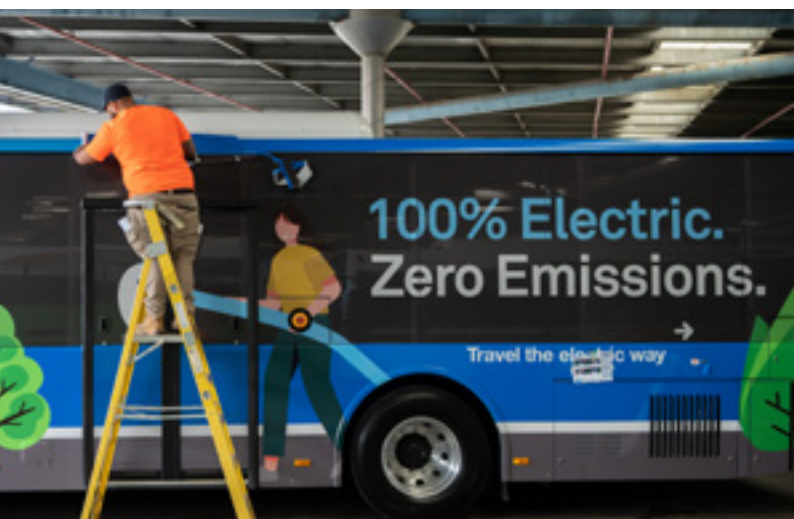


Image: one of the new Battery Electric Buses added to the Transport Canberra bus fleet.

## Transport Canberra

Transport Canberra progressed implementation of its [Zero Emissions Transition Plan for Transport Canberra](#), with Canberra's public transport system on a pathway to a fully zero emissions fleet by 2040. In delivering the Plan, Transport Canberra and the ACT Government need to resolve a range of technical, infrastructure, financial and implementation issues. Addressing these in a sustainable way during the first phase of the transition will facilitate, and potentially accelerate, future phases.

The first phase of the transition plan has involved replacement of the fleet's 34 orange Renault PR100.2 vehicles with Battery Electric Buses and low and zero-emission vehicles, and the purchase of 90 Battery Electric Buses. These procurements will transition approximately one quarter of the Transport Canberra bus fleet to zero emissions, with a total of 106 Battery Electric Buses in the fleet, expected by the end of 2026.

Transport Canberra has now gained greater knowledge and experience as it has delivered key elements of the project. This includes:

- > a greater understanding of the technology which continues to evolve quickly;
- > an understanding of the need to engage early with the energy distributor to ensure timely delivery of adequate electricity;
- > methodologies to calculate and define expected electricity demand at each site, gained knowledge and understand of available tools to manage and optimise demand;
- > the scope of works required to undertake the retrofitting of current depots to accommodate zero emission buses; and
- > the recent exploration of future sites and requirements for an additional depot to accommodate fleet growth into the future.

In the first quarter of 2024, Transport Canberra will update the current Zero Emissions Transition Plan to incorporate the knowledge gained and revise delivery timeframes in line with revised thinking. The updated Plan will include a whole of life fleet management approach that considers growth opportunities and modelling of options for the transition of the whole fleet and the associated infrastructure requirements.

## Development Coordination

TCCS completed and released a new [Electric Vehicle Charging Infrastructure Operational Policy](#). The policy provides guidance on the requirements for proposals for electric vehicle charging infrastructure and associated works on ACT Government land including ACT Government public car parks.

The policy aims to support the expansion of the electric vehicle charging network, for example, by streamlining license applications for electric vehicle charging stations on public land.

The policy supports the [ACT's Zero Emissions Vehicles Strategy 2022-2030](#) which provides a vision for the ACT to be a leading jurisdiction in the adoption of zero emissions vehicle technologies by 2030.

TCCS also continued to deliver the [Ride or Walk to School and It's Your Move Safe Cycle programs](#) to more than 80 schools to support and encourage students to walk or ride to school. In addition, the Active Streets for Schools program delivered infrastructure improvements and wayfinding pavement stencils around schools to further support and promote safe active travel.

## Fleet Services

In addition to the public transport network, TCCS holds the largest and most complex fleet within ACT Government including passenger, commercial, heavy vehicle, plant and equipment. TCCS are actively engaging with industry and monitoring rapidly changing developments within electric

vehicles; running trials where relevant and installing suitable charging infrastructure across relevant TCCS sites.

In 2022-23, TCCS undertook a successful trial of an electric compact street sweeper and electric mini excavator which resulted in one of each entering the fleet in 2023-24.

In 2023-24, City Presentation will introduce four electric mowers into the mowing fleet for further field testing and staff familiarisation within a fleet of 80.

TCCS continued to ensure that 100 per cent of all newly leased government passenger vehicles were zero emissions where fit for purpose. As at 30 June 2023, 38 per cent of TCCS passenger vehicles were zero emission vehicles including 20 per cent electric and 18 per cent hydrogen fuelled.

In 2023-24, Fleet Services will continue to identify and trial zero emission commercial, heavy vehicle, plant and equipment. This will include trialling an electric flexible transport bus, second electric tipper truck and electric litter picking truck.

## Roads and Infrastructure

### Infrastructure Delivery

#### *Recycled plastic in concrete*

The TCCS Infrastructure Delivery team continues to monitor the trial of recycled plastic fibres in concrete, as a more environmentally friendly product for reinforcing concrete used in path construction. Information on use of this material is



*Image: some of the Directorate's electric fleet vehicles (from back left to front right: electric flexible transport bus; electric tipper truck; battery electric Transport Canberra bus; electric compact street sweeper; electric mini excavator; and two electric mowers)*

being shared across Directorates, such as Suburban Land Agency who are adopting it as a controlled roll-out on select subdivision works.

The incorporation of this type of product into TCCS standards is expected to be in place in 2024, which will support broad use of the product and enable the Territory to deliver more sustainable construction outcomes. Read more at In Focus.

### The Active Travel Infrastructure Network Improvements

Construction of the second stage of the Belconnen Bikeway was finalised in 2022-23, helping achieve the ACT Climate Change Strategy aim of shifting an additional 10 to 15 per cent of car journeys to public transport or active travel by 2025.

Active travel infrastructure delivery was prioritised through feasibility and design of the Garden City Route, completion of a feasibility review of active travel in Gungahlin Town Centre, and commencement of works on pedestrian and cyclist upgrades at Beltana Road in Pialligo and on a new shared path link in Lawson. Community path upgrades were completed across the inner south and north, and in Tuggeranong.

### Roads maintenance

TCCS will continue to increase the use of recycled content such as truck tyres, crushed glass, recycled asphalt pavement, etc in road maintenance and construction activities such as road resurfacing, rehabilitation and new construction works where appropriate.

### Streetlights

TCCS continued recycling of luminaires (lighting units), lamps and copper cable recovered from streetlight maintenance and upgrade works and ensured continued independent auditing and verification of the quantity of recycled materials.

TCCS will continue to upgrade luminaires as part of the ongoing LED upgrade program to provide additional energy savings, with particular interest on upgrades to low powered luminaires on residential streets.

In 2022-2023, a total of 21,970 MWh was saved as result of the replacement program. This represents a 51 per cent energy consumption saving compared to the baseline.

The implementation and feasibility analysis for on-demand dimming trials of streetlighting to provide additional energy consumption savings will also continue.

Table 24: Electricity consumption, under the Energy Performance Contract, for Territory streetlights for the 2022-2023 reporting period

Consumption	MWh
Electricity consumption (no replacement program)	42,758
Detailed Facility Study est. electricity consumption (include replacement program)	23,480
Actual electrical consumption	20,788
<b>Savings in per cent (compared to baseline 'business as usual')</b>	<b>51%</b>

### Stormwater

Stormwater operations and maintenance plays an important role in minimising nuisance flooding and protects assets from water damage. In addition, a properly functioning and maintained stormwater network helps improve water quality in the lakes, creeks, ponds and rivers in the Territory.

There are over 280 gross pollutant traps (GPTs) and sedimentation ponds in the stormwater network as well as 17 water quality control ponds, wetlands, biofiltration systems and supporting infrastructure constructed under the ACT Healthy Waterways program that contribute to improving water quality in the ACT.

Regular stormwater maintenance activities such as cleaning of GPTs, desilting of sediment basins, desilting of ponds and open channels, planting and maintaining aquatic vegetation contribute to improved water quality.

There are 22 large GPTs that protect Canberra lakes from debris, sediment, leaves, grass clippings and litter and an additional nine large GPTs that protect downstream waterways of the lakes before entering the Murrumbidgee and Molonglo Rivers.

GPTs are cleaned between four and eight times per year depending on rainfall events and requirement.

Grass clippings that enter our waterways through roadside gutters, open drains and stormwater sumps result in overall lower water quality because they release nutrients such as phosphorous and nitrogen which then contributes to the extent and frequency of algal blooms.

### ACT NoWaste

#### Food Organics and Garden Organics (FOGO)

The ACT Government is strengthening Canberra's circular economy by investing in a large-scale Food Organics and Garden Organics (FOGO) facility. The procurement for a contractor to deliver and operate the new facility is progressing. A draft Environmental

Impact Statement (EIS) is in preparation following pre-Environmental Impact Statement community consultation earlier this year. It is anticipated that the draft EIS will be submitted to the Authority in late 2023.

The facility will divert food and garden organics from landfill and reduce greenhouse gases by turning food scraps and garden waste into valuable compost. It will therefore help to achieve both resource recovery and emission reduction targets.

The residential FOGO collection pilot continued in 2022-23 with over 5000 households participating in Belconnen, diverting over 1,300 tonnes of organics from landfill.

### **Landfill gas recovery**

Landfill gas extraction saw 33,151 megawatt-hours (MWh) of exported energy being generated from gas captured from the Mugga Lane Landfill gas facility during the 2022-2023 financial year. This amount of energy would be able to power approximately 4,585 homes in the ACT for one year.

ACT NoWaste has recently approved a significant expansion to the Mugga Lane Landfill gas facility, including the establishment of additional gas to energy generators and new battery storage and distribution capabilities. These upgrades will significantly improve the capacity of the plant to extract harmful methane gas from the landfill site and convert it to beneficial electricity for storage and efficient distribution to the Canberra Community.

On completion of the expansion project, it is anticipated that the Mugga Lane Landfill gas facility will have the capacity to generate 55,976 MWh of exportable energy, which would be able to power approximately 7,743 homes in the ACT for one year. The addition of the battery system will provide storage capacity and rapid dispatch of the renewable energy generated by the engines at times when the electricity grid requires it most.

## **City Presentation**

All business units across City Presentation are progressively moving to electric tools and equipment to reduce the emissions from using petrol tools, such as the use of electric blowers, drills, whipper snippers.

City Services continues to strive towards the Urban Forest Strategy target of a 30 per cent tree canopy cover in the ACT by the year 2045. In 2022-23, a total of 12,650 trees were planted (this is inclusive of 970 trees provided as part of community engagement initiatives) as part of the TCCS tree planting program.

There was a particular focus on planting in residential areas with low canopy cover and areas vulnerable to urban heat. Wood waste was extensively recycled to produce mulch during 2022-23, through general in-house tree maintenance activities, contractor tree removals and the Belconnen storm clean-up.

Place Management continued to support 86 active volunteer groups registered within the Urban Parks and Places volunteer program. The delivery of the 2022-23 Adopt a Park Community Grants Program continued to enhance the program experience and outcomes.

The Directorate continued to maintain the health of 158 lakes, ponds and wetlands across Canberra by removing floating ribbon weed from Yerrabi Pond and removing native Azolla plants where excessive surface coverage occurred in other ponds and wetlands. The lake cleaning initiative also removes litter and organic debris from the ponds and lakes before it gets washed downstream into the river system.

Work is underway to improve practices to manage grass clippings effectively, to reduce nutrient load and protect the health of local waterways.

Sport and Recreation Facilities are actively identifying new environmentally sustainable opportunities for sportsground facilities and sporting fields, including the use of solar and batteries to power lighting and the use of recycled/reclaimed water for irrigation and facilities (toilets).

## **Territory Business Services**

### **Libraries ACT**

The Libraries ACT Sustainability Working Group presented a paper recommending the early inclusion of sustainability options and considerations in the co-design process and future maintenance of the new library facility in Molonglo Valley.

Tree Week was celebrated across the library service, with a range of successful passive and active public programming. Libraries ACT collaborated with other areas of TCCS and community partners to develop these public programs. Along with the 'Little Greenies' program, engaging and fun sessions taught children and their families about sustainability, ecology, and the local environment.

Libraries ACT added four new digital resources in the last 12 months. Additionally, 6,000 new e-audiobooks and e-books were added to the collection. Usage of these digital formats have grown by an average of 8 per cent over 2022-23.

Use of digital resources provides sustainable and ecologically friendly access to knowledge and resources to the Canberra community.

## Capital Linen Service

Capital Linen Service are investigating and applying reduction strategies where possible and have implemented measures such as heat recovery systems to reduce gas usage. As a result consumption of gas per kilogram of laundry sold has improved by 11 per cent. However, the laundry is still a large user of gas. Currently there are very few substituting options available for industrial laundry application. It is predicted that as technology and markets mature gas alternatives will become more readily available.

## Canberra Memorial parks

Canberra Memorial Parks manages two lawn cemeteries with under-turf irrigation. Considerable work in previous years to replace cool season grasses with warm season grasses has reduced water use, mowing frequency and other maintenance costs. While the wetter than average year of 2022-23 resulted in reduced water consumption for the year, (see [Cemeteries and Crematoria Authority Annual Report 2022-23](#)), the lawn cemeteries are better-placed for future dry seasons.

## Domestic Animal Services

Domestic Animal Services have recently installed an automated chemical dispensing system. Concentrated chemicals are now decanted with automated dilution ratios, with the aim of reducing waste. This also has a flow on effect to the amount of concentrated plastic bottles purchased. Domestic Animal Services has finalised trade waste upgrades at the facility reducing water usage and waste.

## Yarralumla Nursery

Yarralumla Nursery has commenced a trial of recycling PP5 plastic plant pots with a national pot supplier to reduce waste to landfill and ensure that the resource is reused as many times as possible.

## State of the Environment Report

TCCS provided an update to the Office of the Commissioner for Sustainability and the Environment for their Annual Report including the status of actions against recommendations from the [State of the Environment Report 2019](#); and Directorate actions in relation to recommendations resulting from investigations by the Commissioner against the Implementation Status Report on Climate Change Policy (2017), State of the Lakes and Waterways in the ACT (2021) and Scope 3 Greenhouse Gas Emissions in the ACT (2017).

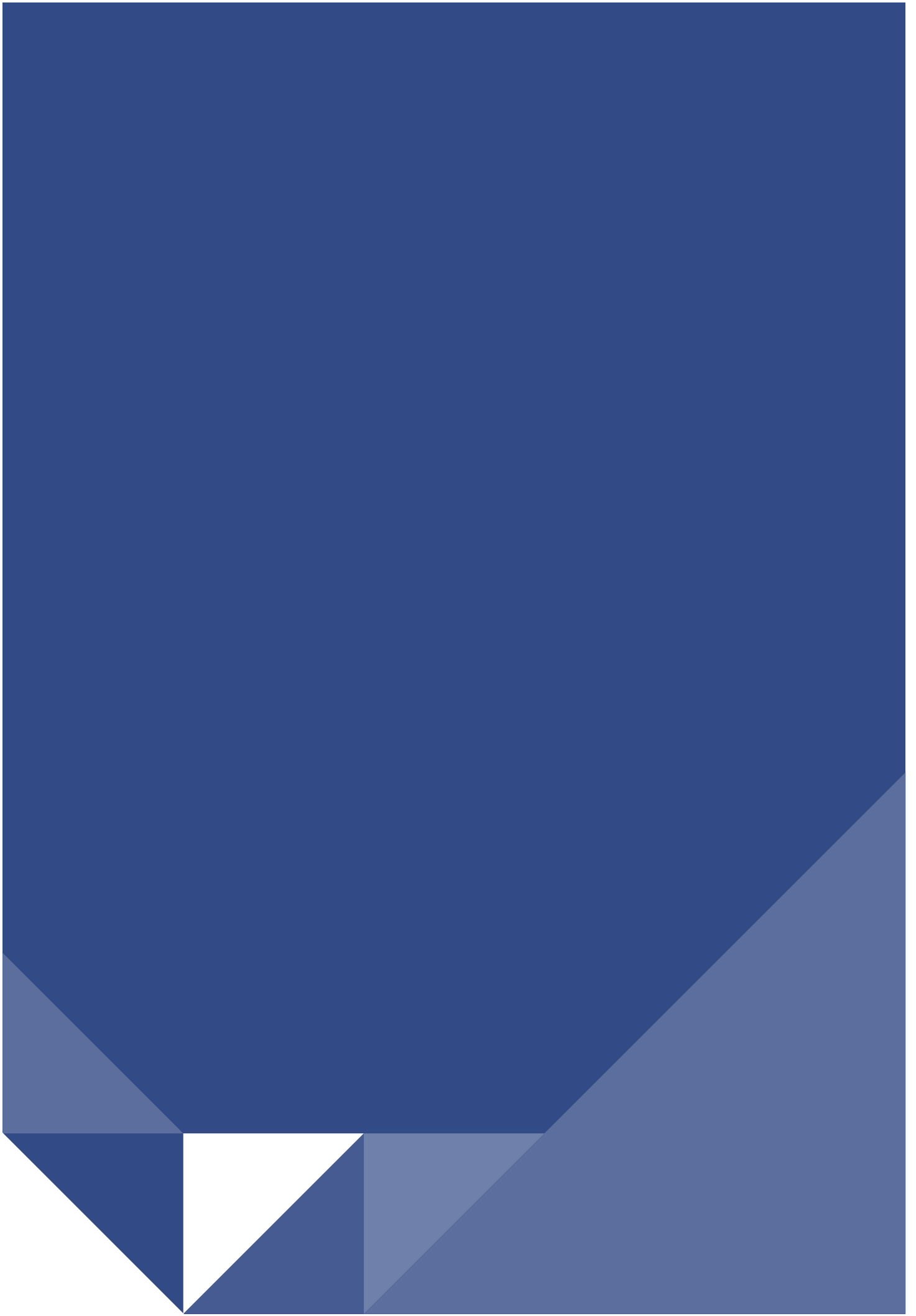
Table 25: Sustainable Development Performance: 2022-23 and previous financial year

Indicator as of 30 June	Unit	Current FY (2022-23)	Previous FY (2021-22)	Percentage change (%)
<b>Stationary energy usage</b>				
Electricity use	Kilowatt hours	34,138,153	32,970,612	3.5%
Natural gas use (non-transport)	Megajoules	52,034,137	45,162,108	15.2%
Diesel use (non-transport)	Kilolitres	n/a	n/a	n/a
<b>Transport fuel usage - TCCS Fleet</b>				
Battery Electric Vehicles (BEV)	Number	10	7	42.9%
Hydrogen Fuel Cell Electric Vehicles (FCEV)	Number	9	7	28.6%
Plug-in Hybrid Electric Vehicles (PHEV)	Number	2	2	0.0%
Hybrid Electric Vehicles (HEV)	Number	7	4	75.0%
Internal Combustion Engine (ICE) vehicles	Number	449	413	8.7%
Total number of vehicles	Number	477	433	10.2%
Fuel use – Petrol	Kilolitres	30	35	-15.8%
Fuel use – Diesel	Kilolitres	1,289	1,313	-1.9%
Fuel use – Liquid Petroleum Gas (LPG)	Kilolitres	n/a	n/a	n/a
Fuel use – Compressed Natural Gas (CNG)	Gigajoules	n/a	n/a	n/a

Indicator as of 30 June	Unit	Current FY (2022-23)	Previous FY (2021-22)	Percentage change (%)
<b>Transport fuel usage - Transport Canberra Bus Fleet/ACTION</b>				
Battery Electric Vehicles (BEV)	Number	12	0	1200.0%
Hydrogen Fuel Cell Electric Vehicles (FCEV)	Number	0	0	0.0%
Plug-in Hybrid Electric Vehicles (PHEV)	Number	0	0	0.0%
Hybrid Electric Vehicles (HEV)	Number	0	0	0.0%
Internal Combustion Engine (ICE) vehicles	Number	443	454	-2.4%
Total number of vehicles	Number	455	454	0.2%
Fuel use – Petrol	Kilolitres	n/a	n/a	n/a
Fuel use – Diesel	Kilolitres	10,927	10,871	0.5%
Fuel use – Liquid Petroleum Gas (LPG)	Kilolitres	n/a	n/a	n/a
Fuel use – Compressed Natural Gas (CNG)	Gigajoules	74,190	82,008	-9.5%
<b>Water usage</b>				
Water use	Kilolitres	865,969	651,660	32.9%
<b>Resource efficiency and waste</b>				
Reams of paper purchased	Reams	2,171	2,704	-19.7%
Recycled content of paper purchased	Percentage	80%	43%	86.3%
Waste to landfill	Litres	10,561,556	9,132,211	15.7%
Co-mingled material recycled	Litres	672100	591,551	13.6%
Paper & Cardboard recycled (incl. secure paper)	Litres	551331	390,661	41.1%
Organic material recycled	Litres	36670	24,910	47.2%
<b>Greenhouse gas emissions</b>				
Emissions from natural gas use (non-transport)	Tonnes CO2-e	2742	2,352	16.6%
Emissions from diesel use (non-transport)	Tonnes CO2-e	-	-	0.0%
Emissions from transport fuel use	Tonnes CO2-e	37,310	37,664	-0.9%
Emissions from refrigerants	Tonnes CO2-e	92	92	0.0%
Total emissions	Tonnes CO2-e	40,144	40,107	0.1%

#### Footnotes for 2022-23 emissions and utility reporting

1. Please note that actual electricity consumption may vary from that shown above/below. Data integrity issues at the time of data extraction from the Enterprise Sustainability Platform (ESP) has resulted in some small market sites erroneously reporting higher electricity consumption. This discrepancy is likely to be marginal in the context of annual consumption figures.
2. Note that the figures above may include accrued data. Where actual data is not available, the ESP provides estimates using an accrual function. Accruals are calculated from the average annual daily consumption of the most current 12-month period applied for the number of days of missing data.
3. Some utility data may be incomplete at the time of data extraction. Where appropriate, accrued data is used to address any gaps. There may be some residual data gaps that will be addressed retrospectively in next year's reporting period.
4. Note that some data reported for 2021-22 in the table above/below may differ slightly from figures reported in the 2021-22 annual report. These are due to retrospective updates to agency occupancy and historical consumption data.
5. The ACT Government reports zero greenhouse gas emissions from electricity use as a result of the ACT's 100 per cent renewable electricity supply.
6. Emissions reported for stationary energy and transport fuels include Scope 1 and Scope 2 emissions only. Scope 1 are direct emissions from sources owned and operated by the government, including emissions from transport fuel and natural gas use. Scope 2 are indirect emissions from mains electricity which is consider zero in the ACT.
7. Emission factors used to calculate natural gas and fleet fuel are based on the latest National Greenhouse Accounts factors.



# Part 2C

Financial Management  
Reporting

# MANAGEMENT DISCUSSION AND ANALYSIS

## Transport Canberra and City Services Directorate

### For the Year Ended 30 June 2023

#### Risk Management

The TCCS Executive Board is responsible for identifying and managing the Directorate's strategic risk profile which includes key strategic and emerging risks. The strategic risk profile is supported by operational risk registers at the business unit level, which are managed in line with the Directorate's Risk Management Framework and Plan. Risk management practices within the Directorate align with the ISO 31000:2018 Risk Management – Principles and Guidelines standard and the ACT Government Risk Management Policy 2021. Further information is included in Part 2B Risk Management of the Annual Report.

#### Directorate Financial Performance

The following assessment of the Directorate's financial performance is based on the net cost of services framework. Net cost of services facilitates an assessment of performance by showing the full cost and composition of resources consumed in conducting the operations of the Directorate. It shows the extent to which these costs were recovered through independent sources and the net cost of operations to the Territory.

The variances associated with the COVID-19 pandemic are explained within the relevant notes of the financial statements. Estimates presented below for 2023-24 through to 2025-26 are based on the 2022-23 Budget Papers.

The table below provides a summary of the financial operations based on the audited financial statements for 2021-22 and 2022-23.

**Table 1: Net Cost of Services**

	Actual 2021-22	Budget 2022-23	Actual 2022-23	Forward Estimate 2023-24	Forward Estimate 2024-25	Forward Estimate 2025-26
	\$m	\$m	\$m	\$m	\$m	\$m
<b>Total Expenses</b>	767.4	736.4	777.3	731.4	727.2	744.4
<b>Total Own Source Revenue <sup>a</sup></b>	84.7	197.6	90.9	144.8	213.0	156.6
<b>Net Cost of Services</b>	<b>682.7</b>	<b>538.8</b>	<b>686.4</b>	<b>586.6</b>	<b>514.2</b>	<b>587.8</b>

a. Relates to Total Revenue excluding Controlled Recurrent Payments.

## Net Cost of Services

### Comparison to Original Budget

The Directorate's Net Cost of Services for 2022-23 of \$686.4 million was \$147.6 million higher than the Original Budgeted cost of \$538.8 million. This variance is explained in the Line Item Explanation of Significant Variances from the Original Budget – Operating Statement.

### Comparison to Prior Year

Total Net Cost of Services for 2022-23 was \$3.7 million or 0.5% higher than the prior year amount of \$682.7million. This variance is explained in the Total Expenses and Total Own Source Revenue.

## Operating Result

**Table 2: Line Item Explanation of Variances from the Original Budget – Operating Statement**

	Actual 2023 \$'m	Original Budget 2023 \$'m	Variance \$'m
<b>Income</b>			
Controlled Recurrent Payments <sup>a</sup>	491.1	481.2	9.9
Sales of Goods and Services from Contracts with Customers	26.5	28.7	(2.2)
Fees and Fines	11.8	7.3	4.5
Grants and Contributions Revenue <sup>b</sup>	40.0	147.8	(107.8)
Gains from Disposal of Assets	0.5	-	0.5
Other Income	12.1	13.7	(1.6)
<b>Total Income</b>	<b>582.0</b>	<b>678.7</b>	<b>(96.7)</b>
<b>Expenses</b>			
Employee Expenses <sup>c</sup>	124.8	110.6	14.2
Supplies and Services <sup>d</sup>	208.4	223.2	(14.8)
Depreciation and Amortisation <sup>e</sup>	214.2	204.5	9.7
Grants and Purchased Services <sup>f</sup>	206.3	197.2	9.1
Borrowing Costs	0.5	0.5	-
Expensing of Capital Works in Progress <sup>g</sup>	19.8	-	19.8
Other Expenses	3.3	0.4	2.9
<b>Total Expenses</b>	<b>777.3</b>	<b>736.4</b>	<b>40.9</b>
<b>Operating Result</b>	<b>(195.3)</b>	<b>(57.7)</b>	<b>(137.6)</b>
<b>Other Comprehensive Result</b>			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Increase/(decrease) in the Asset Revaluation Surplus <sup>h</sup>	126.0	(3.4)	129.4
<b>Total Other Comprehensive Result</b>	<b>126.0</b>	<b>(3.4)</b>	<b>129.4</b>
<b>Total Comprehensive Result</b>	<b>(69.3)</b>	<b>(61.1)</b>	<b>(8.2)</b>

Notes:

- a) The higher than budgeted Controlled Recurrent Payments (\$9.9 million) is mainly due to funding received for additional costs associated with transporting and processing of recycling following the fire at the Material Recovery Facility in December 2022 and increased waste management contract costs associated with higher than expected fuel prices.
- b) The lower than budgeted Grants and Contributions (\$107.8 million) is mainly due to lower than expected asset contributions from Suburban Land Agency and Private Developers.
- c) The higher than budgeted Employee Expenses (\$14.2 million) is mainly due to higher staff numbers resulting from the transition of contractors to staff to deliver the Directorate's operations, salary increases and a one-off cost of living supplement payment under the proposed enterprise agreements.
- d) The lower than budgeted Supplies and Services (\$14.8 million) is mainly due to lower contractors and consultancy costs (\$7.0 million) resulting from the transition of contractors to staff to deliver the Directorate's operations and delays in the rehabilitation of the West Belconnen Landfill site (\$11.5 million). This is offset by additional costs associated with transporting and processing of recycling material following the Material Recovery Facility fire (\$3.2 million).
- e) The higher than budgeted Depreciation and Amortisation (\$9.7 million) is mainly due to the revaluation increment in the value of infrastructure (stormwater) assets in 2021-22, resulting in higher depreciation expenses.
- f) The higher than budgeted Grants and Purchased Services (\$9.1 million) is due to additional funds transferred to TCO to meet operational needs.
- g) Unbudgeted expensing of Capital Works in Progress costs (\$19.8 million). The Directorate expenses these costs as they do not meet the asset recognition criteria under the Australian Accounting Standards. These costs are not budgeted as they are difficult to estimate.
- h) The higher than budgeted Asset Revaluation Surplus (\$129.4 million) is mainly due to revaluation increment of assets in 2022-23 (Refer to Note 20 – Equity for further information). Asset revaluation movements are difficult to predict.

**Table 3: Line Item Explanation of Variances from Prior Year – Operating Statement**

	Actual 2023 \$'m	Actual 2022 \$'m	Variance \$'m
<b>Income</b>			
Controlled Recurrent Payments <sup>a</sup>	491.1	467.5	23.6
Sales of Goods and Services from Contracts with <sup>b</sup> Customers	26.5	21.5	5.0
Fees and Fines	11.8	9.6	2.2
Grants and Contributions Revenue	40.0	40.3	(0.3)
Gains from Disposal of Assets	0.5	0.9	(0.4)
Other Income	12.1	13.3	(1.2)
<b>Total Income</b>	<b>582.0</b>	<b>553.1</b>	<b>28.9</b>
<b>Expenses</b>			
Employee Expenses	124.8	121.7	3.1
Supplies and Services <sup>c</sup>	208.4	190.4	18.0
Depreciation and Amortisation <sup>d</sup>	214.2	198.6	15.6
Grants and Purchased Services	206.3	202.5	3.8
Borrowing Costs	0.5	0.4	0.1
Expensing of Capital Works in Progress <sup>e</sup>	19.8	51.3	(31.5)
Other Expenses	3.3	2.5	0.8
<b>Total Expenses</b>	<b>777.3</b>	<b>767.4</b>	<b>9.9</b>
<b>Operating Result</b>	<b>(195.3)</b>	<b>(214.3)</b>	<b>19.0</b>
<b>Other Comprehensive Result</b>			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Increase in the Asset Revaluation Surplus <sup>f</sup>	126.0	1,449.8	(1,323.8)
<b>Total Other Comprehensive Result</b>	<b>126.0</b>	<b>1,449.8</b>	<b>(1,323.8)</b>
<b>Total Comprehensive Result</b>	<b>(69.3)</b>	<b>1,235.5</b>	<b>(1,304.8)</b>

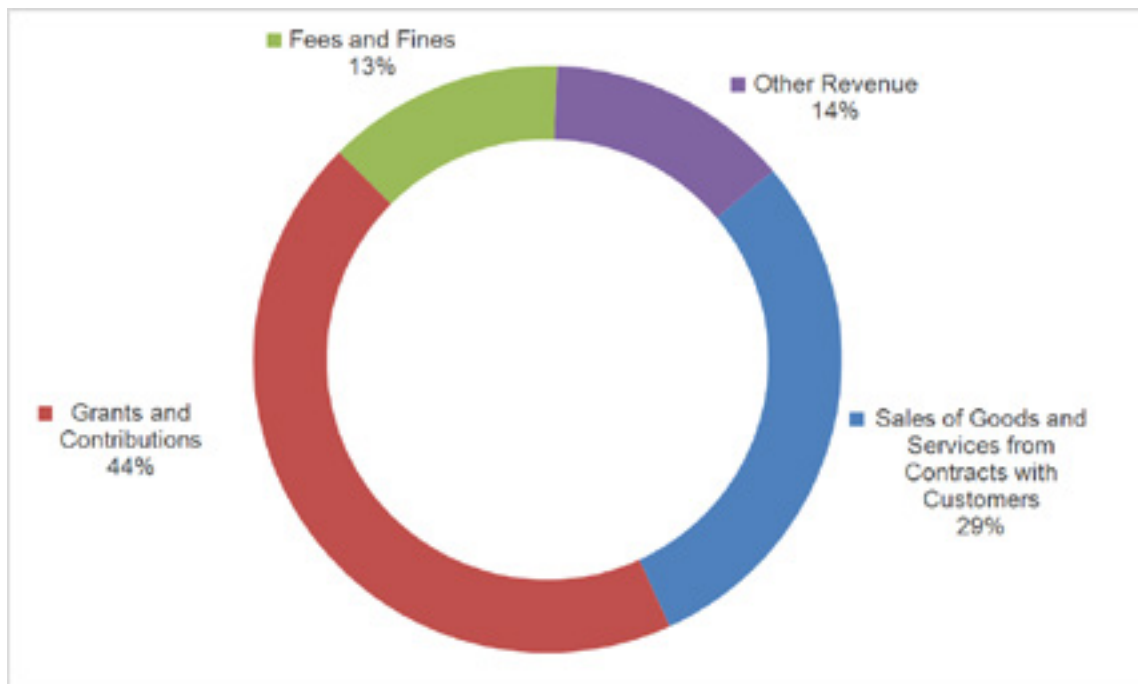
Notes:

- a) The increase (\$23.6 million) is due to additional costs (\$10.1 million) associated with transporting and processing of recycling material following the fire at the Material Recovery Facility in December 2022, increased waste management contract costs associated with higher than expected fuel prices, additional funding from the ACT Government compensating for a reduction in transport fare revenue (\$8.3 million), additional funding for the new ticketing system (\$3.9 million) and the bus depot energy supply works (\$2.0 million). This is partially offset by cost savings resulting from the delay in completion of the Woden bus depot (\$2.2 million) and Government savings measures.
- b) The increase (\$5.0 million) is mainly due to increased demand for linen services for hotels and accommodation facilities in Canberra.
- c) The increase (\$18.0 million) is mainly due to an increase in contractors and consultant costs (\$9.9 million) resulting from higher transporting and processing costs of recycling and household kerbside and green waste collections; repair and maintenance costs (\$2.3 million) for roads, bridges, community paths, streetlights and storm events; cost of goods sold (\$1.7 million) due to the Yarralumla Nursery adopting an activity-based costing model; and DDTS's increased ICT charges (\$1.4 million).
- d) The increase (\$15.6 million) is mainly due to the revaluation increment in the value of infrastructure (stormwater) assets in 2021-22, resulting in higher depreciation expenses.
- e) The decrease (\$31.5 million) is mainly due to lower costs for studies, planning, design and demolition related primarily to the following projects: Road Upgrades and Safety (\$11.7 million), Active Travel (\$2.1 million), Parking facilities upgrade (\$1.5 million), Stormwater upgrade (\$1.5 million) and Better Public Transport (\$1.1 million).
- f) The decrease (\$1,323.8 million) is mainly due to the revaluation increment in the value of infrastructure (stormwater) and land under road assets in 2021-22.

## Total Own Source Revenue

### Components of Own Source Revenue

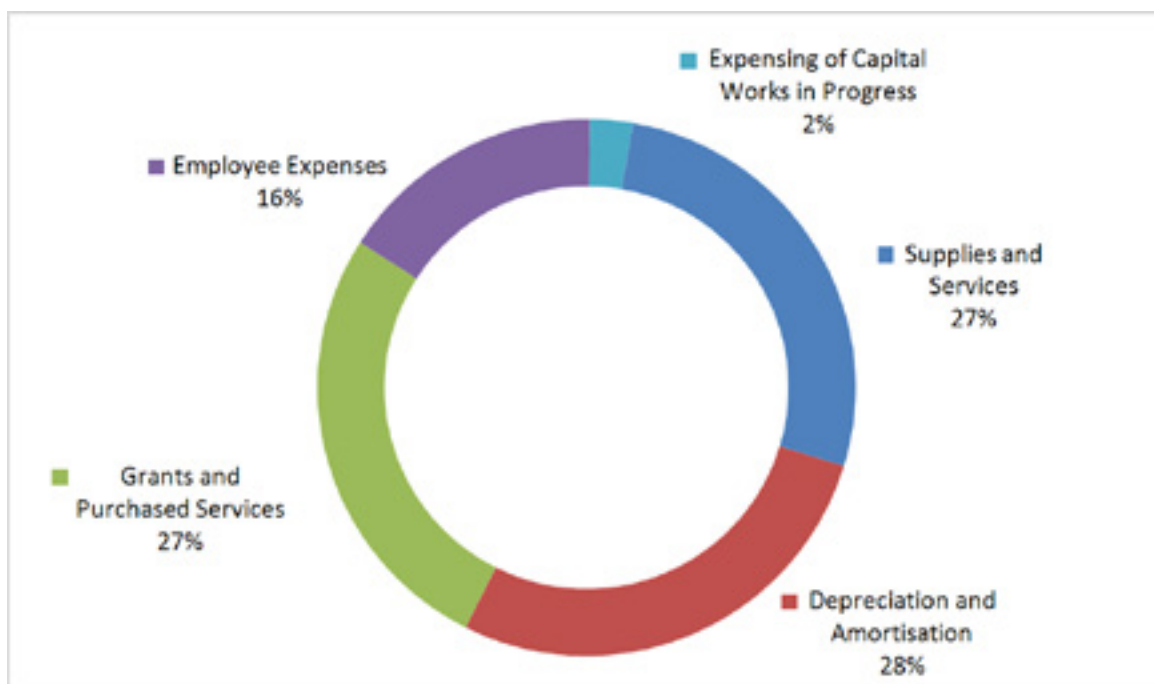
Figure 1 illustrates the components of Own Source Revenue for the year ended 30 June 2023.



## Total Expenses

### Components of Expenses

Figure 2 illustrates the components of Total Expenses for the year ended 30 June 2023.



**Table 4: Line Item Explanation of Variances from the Original Budget - Balance Sheet**

	Actual 2023 \$'m	Original Budget 2023 \$'m	Variance \$'m
<b>Current Assets</b>			
Cash and Cash Equivalents <sup>a</sup>	15.0	9.9	5.1
Receivables <sup>b</sup>	11.4	17.1	(5.7)
Inventories	1.3	1.5	(0.2)
Other Assets	1.2	1.4	(0.2)
<b>Total Current Assets</b>	<b>28.9</b>	<b>29.9</b>	<b>(1.0)</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment <sup>c</sup>	11,706.3	10,560.9	1,145.4
Capital Works in Progress <sup>d</sup>	149.9	236.8	(86.9)
Intangible Assets	4.6	9.4	(4.8)
<b>Total Non-Current Assets</b>	<b>11,860.8</b>	<b>10,807.1</b>	<b>1,053.7</b>
<b>Total Assets</b>	<b>11,889.7</b>	<b>10,837.0</b>	<b>1,052.7</b>
<b>Current Liabilities</b>			
Payables <sup>e</sup>	31.6	37.3	(5.7)
Lease Liabilities	5.3	5.1	0.2
Employee Benefits	39.7	38.5	1.2
Other Provisions <sup>f</sup>	0.5	10.0	(9.5)
Other Liabilities	3.7	4.2	(0.5)
<b>Total Current Liabilities</b>	<b>80.8</b>	<b>95.1</b>	<b>(14.3)</b>
<b>Non-Current Liabilities</b>			
Lease Liabilities	6.9	7.9	(1.0)
Employee Benefits	2.0	2.4	(0.4)
Other Provisions <sup>f</sup>	6.2	16.0	(9.8)
Other Liabilities	4.2	4.5	(0.3)
<b>Total Non-Current Liabilities</b>	<b>19.3</b>	<b>30.8</b>	<b>(11.5)</b>
<b>Total Liabilities</b>	<b>100.1</b>	<b>125.9</b>	<b>(25.8)</b>

Notes:

- a) The higher than budgeted Cash and Cash Equivalents (\$5.1 million) is mainly due to lower than expected capital works payments. Refer to Cash Flow Statements for further information.
- b) The lower than budgeted Receivables (\$5.7 million) is mainly due to higher than expected cash received from the customers towards the end of the financial year.
- c) The higher than budgeted Property, Plant and Equipment (\$1,145.4 million) is mainly due to the revaluation increment of stormwater assets and land under roads in 2021-22.
- d) The lower than budgeted Capital Works in Progress (\$86.9 million) included the revised allocations of Commonwealth grants for capital infrastructure projects (\$30.7m) and the deferral and delays of various capital infrastructure projects.
- e) The lower than budgeted Payables (\$5.7 million) is mainly due to additional supplier payments made towards the end of the financial year.
- f) The lower than budgeted Other Provisions (\$19.3 million) is due to the obligation for the restoration of the West Belconnen Landfill (including Parkwood Road Recycling Estate) sites transferring to the SLA in 2022-23.

**Table 5: Line Item Explanation of Variances from Prior Year - Balance Sheet**

	Actual 2023 \$'m	Actual 2022 \$'m	Variance \$'m
<b>Current Assets</b>			
Cash and Cash Equivalents <sup>a</sup>	15.0	26.4	(11.4)
Receivables	11.4	10.8	0.6
Inventories	1.3	1.5	(0.2)
Other Assets	1.2	2.0	(0.8)
<b>Total Current Assets</b>	<b>28.9</b>	<b>40.7</b>	<b>(11.8)</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment <sup>b</sup>	11,706.3	11,685.7	20.6
Capital Works in Progress <sup>c</sup>	149.9	102.0	47.9
Intangible Assets	4.6	2.4	2.2
<b>Total Non-Current Assets</b>	<b>11,860.8</b>	<b>11,790.1</b>	<b>70.7</b>
<b>Total Assets</b>	<b>11,889.7</b>	<b>11,830.8</b>	<b>58.9</b>
<b>Current Liabilities</b>			
Payables <sup>d</sup>	31.6	36.9	(5.3)
Lease Liabilities	5.3	5.4	(0.1)
Employee Benefits	39.7	37.0	2.7
Other Provisions <sup>e</sup>	0.5	11.1	(10.6)
Other Liabilities	3.7	3.7	-
<b>Total Current Liabilities</b>	<b>80.8</b>	<b>94.1</b>	<b>(13.3)</b>
<b>Non-Current Liabilities</b>			
Lease Liabilities	6.9	7.8	(0.9)
Employee Benefits	2.0	2.0	-
Other Provisions <sup>e</sup>	6.2	15.6	(9.4)
Other Liabilities	4.2	8.3	(4.1)
<b>Total Non-Current Liabilities</b>	<b>19.3</b>	<b>33.7</b>	<b>(14.4)</b>
<b>Total Liabilities</b>	<b>100.1</b>	<b>127.8</b>	<b>(27.7)</b>

Notes:

- a) The decrease (\$11.4 million) is mainly due to a decrease in Payables (Refer to note d) at the end of the financial year.
- b) The increase (\$20.6 million) is mainly due to the revaluation increment of assets in 2022-23.
- c) The increase (\$47.9 million) is mainly due to the increase in various road related infrastructure works including the Gundaroo Drive duplication, stormwater upgrade around Sydney and Melbourne buildings and several road safety related upgrade and maintenance projects (\$36.3 million); and building works undertaken at the new Woden bus depot (\$8.5 million).
- d) The decrease (\$5.3 million) is mainly due to the large volume of invoices processed toward the end of the financial year and the reduction of contract liabilities resulting from performance obligations being satisfied during the year.
- e) The decrease (\$20.0 million) is due to the obligation for the restoration of the West Belconnen Landfill (including Parkwood Road Recycling Estate) sites transferring to the SLA in 2022-23.

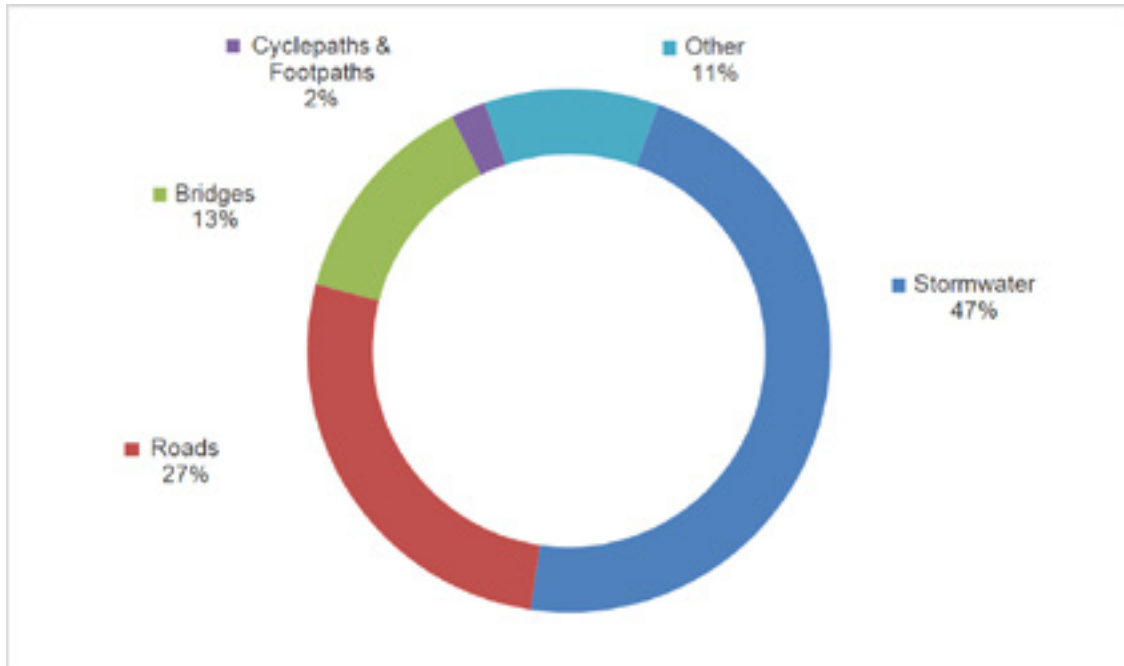
## Financial Position

### Components of Total Assets

At 30 June 2023, the Directorate had Total Assets of \$11.9 billion. 98.3% of its Total Assets related to Property, Plant and Equipment (\$11.7 billion).

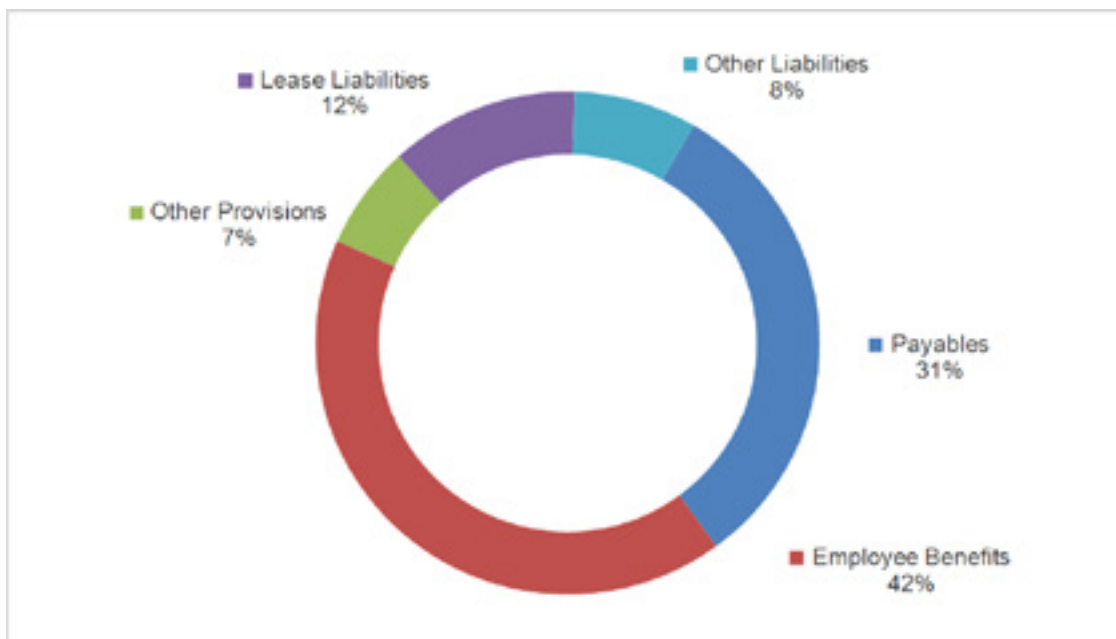
The major component of Property, Plant and Equipment is Infrastructure Assets (\$7.9 billion).

**Figure 3 illustrates the component of Infrastructure Assets at 30 June 2023.**



### Components of Total Liabilities

**Figure 4 illustrates the component of Total Liabilities at 30 June 2023.**



## Territorial Statement of Income and Expenses

### Total Income and Expenses

The major categories of Territorial Income are commercial and industrial Waste Acceptance Fees and Dog and Cat Registration Fees. Total Expenses represents the transfer of income collected to the ACT Government.

	Actual 2021-22	Budget 2022-23	Actual 2022-23	Forward Estimate 2023-24	Forward Estimate 2024-25	Forward Estimate 2025-26
	\$m	\$m	\$m	\$m	\$m	\$m
<b>Total Expenses</b>	15.9	28.7	15.4	30.3	31.4	32.4
<b>Total Income</b>	15.9	28.7	15.4	30.3	31.4	32.4
<b>Operating Result</b>	-	-	-	-	-	-

### Comparison to the Original Budget

Total Territorial Income and Expenses of \$15.4 million was \$13.3 million (46.3%) lower than the Original Budget of \$28.7 million. This was mainly due to lower than anticipated Sale of Services from Contracts with Customers resulting from waste disposal fees not increasing in line with the budget.

### Comparison to Prior Year

Total Income and Expenses were consistent with the previous year amount of \$15.9 million.

# MANAGEMENT DISCUSSION AND ANALYSIS

## TRANSPORT CANBERRA OPERATIONS

### For the Year Ended 30 June 2023

#### Risk Management

Transport Canberra Operations (TCO) maintains an operational risk register, which is routinely reviewed to ensure appropriate and effective controls are in place. The review process also provides an opportunity to identify new and emerging risks. TCO manage risks in line with the TCCS Risk Management Framework and Plan. The risk management practices undertaken by TCO align with the ISO 31000:2018 Risk Management – Principles and Guidelines standard and the ACT Government Risk Management Policy 2021. Further information is included in Part 2B Risk Management of the Annual Report.

#### Financial Performance

The following financial information is based on audited Financial Statements for the 2021-22 and 2022-23 financial years, 2022-23 Budget and the forward estimates contained in the 2022-23 Budget Papers.

Since the COVID-19 pandemic, TCO has experienced a reduction in public transport fare revenue due to fewer passengers using public transport. Estimates presented below for 2023-24 through to 2025-26 are based on the 2022-23 Budget Papers.

The table below provides a summary of the financial operations based on the audited financial statements for 2021-22 and 2022-23.

**Table 1: Summary of Financial Performance**

	Actual 2021-22 \$m	Original Budget 2022-23 \$m	Actual 2022-23 \$m	Forward Estimate 2023-24 \$m	Forward Estimate 2024-25 \$m	Forward Estimate 2025-26 \$m
<b>Total Expenses</b>	261.9	272.1	278.4	280.1	283.5	286.4
<b>Total Income</b>	225.0	238.3	238.1	244.7	246.1	249.2
<b>Income Tax Equivalents Income</b>	11.1	-	12.1	-	-	-
<b>Operating (Deficit)</b>	<b>(25.8)</b>	<b>(33.8)</b>	<b>(28.2)</b>	<b>(35.4)</b>	<b>(37.4)</b>	<b>(37.2)</b>

#### Comparison to Original Budget

The Operating Result for TCO was a deficit of \$28.2 million, which is \$5.6 million lower than the original budgeted deficit of \$33.8 million.

#### Comparison to Prior Year

The Operating Result for TCO was a deficit of \$28.2 million, which is \$2.4 million higher than the 2021-22 deficit of \$25.8 million.

## Operating Result

**Table 2: Line Item Explanation of Variances from the Original Budget - Operating Statement**

	Actual 2023 \$'m	Original Budget 2023 \$'m	Variance \$'m
<b>Income</b>			
<i>Revenue</i>			
Sale of Services from Contracts with Customers <sup>a</sup>	22.6	29.9	(7.3)
Contributions Revenue <sup>b</sup>	213.2	207.6	5.6
Other Revenue	2.3	0.8	1.5
<b>Total Income</b>	<b>238.1</b>	<b>238.3</b>	<b>(0.2)</b>
<b>Expenses</b>			
Employee Expenses	135.6	134.8	0.8
Supplies and Services	89.3	86.1	3.2
Depreciation and Amortisation	32.8	33.2	(0.4)
Borrowing Costs	16.2	17.3	(1.1)
Expensing of Capital Works in Progress <sup>c</sup>	4.3	-	4.3
Other Expenses	0.2	0.7	(0.5)
<b>Total Expenses</b>	<b>278.4</b>	<b>272.1</b>	<b>6.3</b>
<b>Operating Result before Income Tax Equivalents</b>	<b>(40.3)</b>	<b>(33.8)</b>	<b>(6.5)</b>
Income Tax Equivalents Income <sup>d</sup>	12.1	-	12.1
<b>Operating Result</b>	<b>(28.2)</b>	<b>(33.8)</b>	<b>5.6</b>
<b>Other Comprehensive Result</b>			
<i>Items that will not be reclassified subsequently to profit</i>			
Increase in Asset Revaluation Surplus <sup>e</sup>	176.1	14.8	161.3
<b>Total Other Comprehensive Result</b>	<b>176.1</b>	<b>14.8</b>	<b>161.3</b>
<b>Total Comprehensive Result</b>	<b>147.9</b>	<b>(19.0)</b>	<b>166.9</b>

Notes:

- a) The lower than budgeted Sale of Services from Contracts with Customers (\$7.3 million) is mainly due to lower public transport fare revenue compared to budget. Public transport patronage has slowly recovered after the lockdown was lifted.
- b) The higher than budgeted Contributions Revenue (\$5.6 million) is mainly due to additional funding received from TCCS to offset the reduction in public transport fare revenue.
- c) Unbudgeted Expensing of Capital Works in Progress (\$4.3 million). TCO expense these costs as they do not meet the asset recognition criteria under the Australian Accounting Standard.
- d) The unbudgeted Income Tax Equivalent Income (\$12.1 million) is mainly due to the calculation's complexity, which is difficult to estimate.
- e) The higher than budgeted Increase in Asset Revaluation Surplus (\$161.3 million) is due to a revaluation increment of the service concession assets. Service concession assets are revalued every three years. Asset revaluation movements are difficult to predict.

**Table 3: Line Item Explanation of Variances from Prior Year - Operating Statement**

	Actual 2023 \$'m	Actual 2022 \$'m	Variance \$'m
<b>Income</b>			
<i>Revenue</i>			
Sale of Services from Contracts with Customers <sup>a</sup>	22.6	15.3	7.3
Contributions Revenue <sup>b</sup>	213.2	206.8	6.4
Other Revenue	2.3	2.9	(0.6)
<b>Total Income</b>	<b>238.1</b>	<b>225.0</b>	<b>13.1</b>
<b>Expenses</b>			
Employee Expenses	135.6	135.9	(0.3)
Supplies and Services <sup>c</sup>	89.3	79.5	9.8
Depreciation and Amortisation	32.8	32.9	(0.1)
Borrowing Costs <sup>d</sup>	16.2	10.9	5.3
Expensing of Capital Works in Progress	4.3	2.3	2.0
Other Expenses	0.2	0.4	(0.2)
<b>Total Expenses</b>	<b>278.4</b>	<b>261.9</b>	<b>16.5</b>
<b>Operating Result before Income Tax Equivalents</b>	<b>(40.3)</b>	<b>(36.9)</b>	<b>(3.4)</b>
Income Tax Equivalents Income	12.1	11.1	1.0
<b>Operating Result</b>	<b>(28.2)</b>	<b>(25.8)</b>	<b>(2.4)</b>
<b>Other Comprehensive Result</b>			
<i>Items that will not be reclassified subsequently to profit</i>			
Increase in Asset Revaluation Surplus <sup>e</sup>	176.1	-	176.1
<b>Total Other Comprehensive Result</b>	<b>176.1</b>	<b>-</b>	<b>176.1</b>
<b>Total Comprehensive Result</b>	<b>147.9</b>	<b>(25.8)</b>	<b>173.7</b>

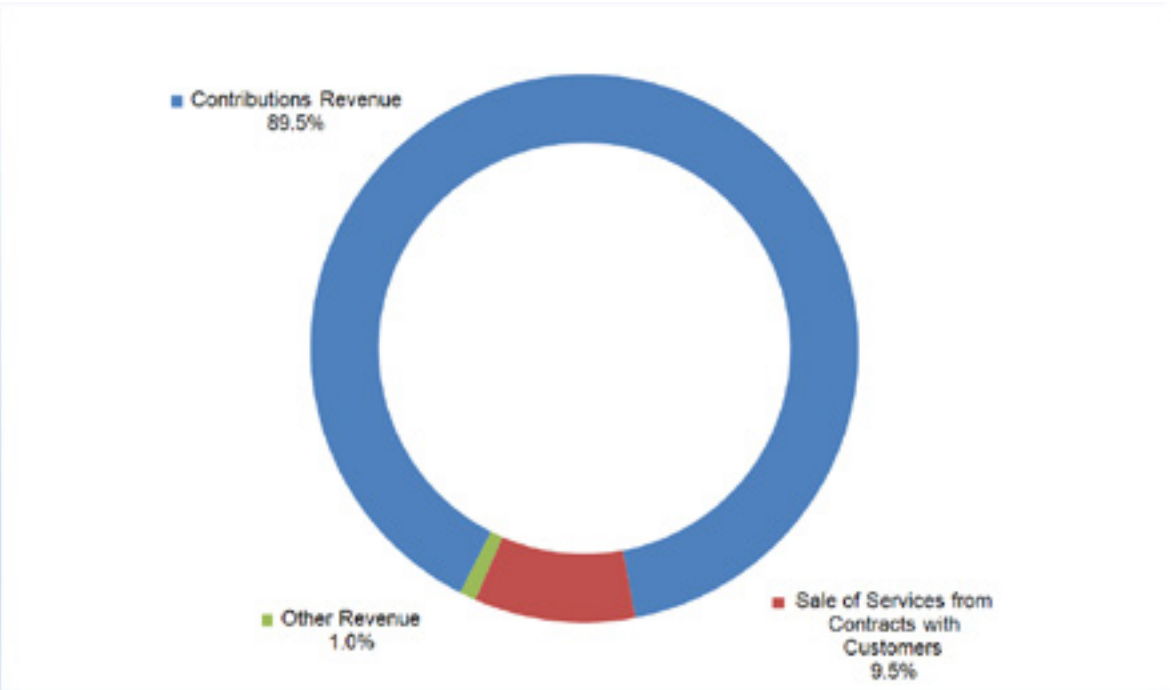
Notes:

- a) The increase (\$7.3 million) is mainly due to higher public transport fare revenue resulting from more passengers using public transport post the COVID-19 pandemic.
- b) The increase (\$6.4 million) is mainly due to additional funding received from TCCS to offset the reduction in public transport fare revenue.
- c) The increase (\$9.8 million) is mainly due to an increase in: diesel costs (\$4.3 million), consultant costs to support the transition to a zero-emission bus fleet (\$3.1 million), bus maintenance costs as a result of the maintenance schedule resuming to a more normal pattern post COVID-19 (\$1.1 million), promotions and campaigns to restore community confidence to use public transport (\$1.2 million), the indexation of the cost of delivery of light rail services under the contract and additional running costs for light rail services in 2022-23 (\$1.2 million), partially offset by a decrease in cleaning costs post COVID-19 (\$0.9 million).
- d) The increase (\$5.3 million) is mainly due to the refinancing of the service concession financial liability at a higher interest rate.
- e) The increase (\$176.1 million) is mainly due to a revaluation increment of the service concession assets. Service concession assets are revalued every three years.

*Total Income*

**Components of Total Income**

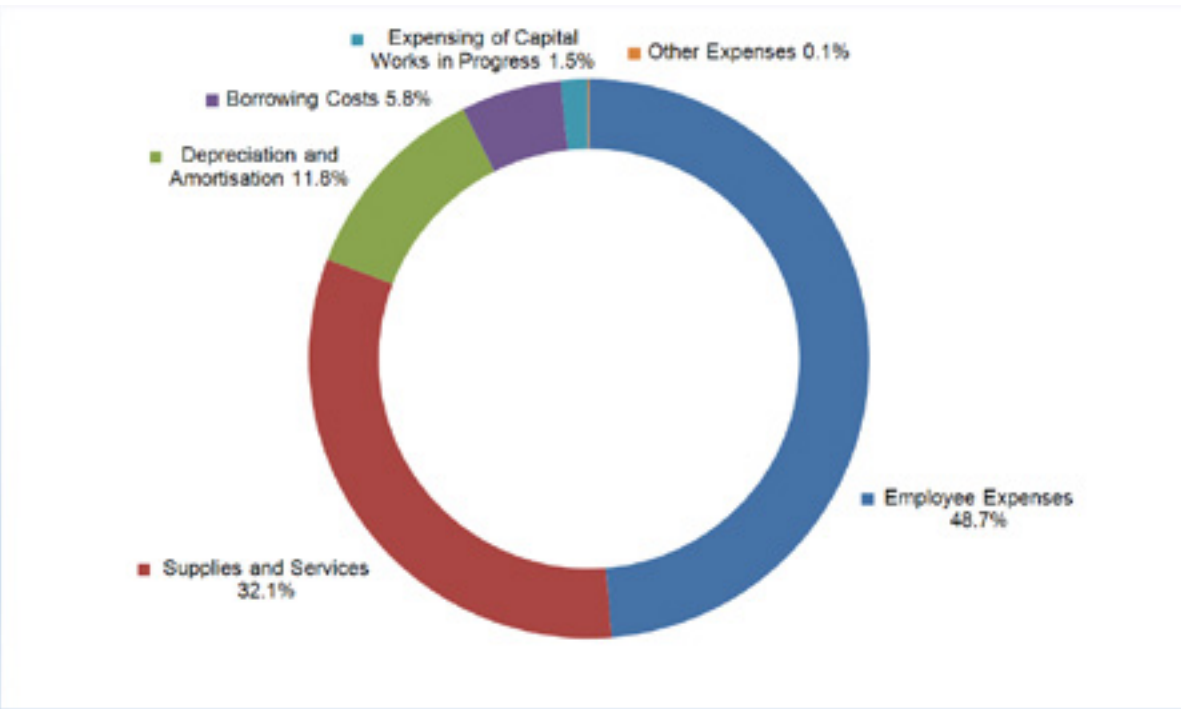
Figure 1 illustrates the components of Total Income for the year ended 30 June 2023.



*Total Expenses*

**Components of Expenditure**

Figure 2 illustrates the components of Total Expenses for the year ended 30 June 2023.



**Table 4: Line Item Explanation of Variances from the Original Budget - Balance Sheet**

	Actual 2023	Original Budget 2023	Variance
	\$'m	\$'m	\$'m
<b>Current Assets</b>			
Cash and Cash Equivalents	11.4	14.4	(3.0)
Receivables	2.6	3.0	(0.4)
Inventories	4.6	4.2	0.4
Other Assets	0.8	0.4	0.4
<b>Total Current Assets</b>	<b>19.4</b>	<b>22.0</b>	<b>(2.6)</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment <sup>a</sup>	1,056.4	859.4	197.0
Intangible Assets	-	1.4	(1.4)
Capital Works in Progress <sup>b</sup>	5.0	14.3	(9.3)
<b>Total Non-Current Assets</b>	<b>1,061.4</b>	<b>875.1</b>	<b>186.3</b>
<b>Total Assets</b>	<b>1,080.8</b>	<b>897.1</b>	<b>183.7</b>
<b>Current Liabilities</b>			
Payables	18.4	15.6	2.8
Borrowings	11.8	11.9	(0.1)
Lease Liabilities	1.6	1.5	0.1
Employee Benefits	36.8	34.5	2.3
<b>Total Current Liabilities</b>	<b>68.6</b>	<b>63.5</b>	<b>5.1</b>
<b>Non-Current Liabilities</b>			
Borrowings <sup>c</sup>	272.5	265.8	6.7
Lease Liabilities <sup>d</sup>	11.3	2.2	9.1
Employee Benefits	1.6	2.8	(1.2)
Deferred Tax Liabilities <sup>e</sup>	103.9	53.3	50.6
<b>Total Non- Current Liabilities</b>	<b>389.3</b>	<b>324.1</b>	<b>65.2</b>
<b>Total Liabilities</b>	<b>457.9</b>	<b>387.6</b>	<b>70.3</b>
<b>Net Assets</b>	<b>622.9</b>	<b>509.5</b>	<b>113.4</b>

Notes:

- a) The higher than budgeted Property, Plant and Equipment (\$197.0 million) is mainly due to a revaluation increment of the service concession assets, which is difficult to estimate.
- b) The lower than budgeted Capital Works in Progress (\$9.3 million) is mainly due to the leasing arrangements for six diesel buses, 12 zero-emission buses, six charging units and supporting infrastructure. The budget is based on the assumption that they would be purchased outright.
- c) The higher than budgeted Borrowings (\$6.7 million) is due to the budget being understated. This has been adjusted for future periods.
- d) The higher than budgeted Lease Liabilities (\$9.1 million) is due to the leasing arrangements for the new buses, charging units and supporting infrastructure.
- e) The higher than budgeted Deferred Tax Liabilities (\$50.6 million) is mainly related to the deferred tax liabilities from the revaluation of assets in 2022-23.

**Table 5: Line Item Explanation of Variances from Prior Year - Balance Sheet**

	Actual 2023 \$'m	Actual 2022 \$'m	Variance \$'m
<b>Current Assets</b>			
Cash and Cash Equivalents	11.4	14.7	(3.3)
Receivables	2.6	1.5	1.1
Inventories	4.6	3.9	0.7
Other Assets	0.8	0.4	0.4
<b>Total Current Assets</b>	<b>19.4</b>	<b>20.5</b>	<b>(1.1)</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment <sup>a</sup>	1,056.4	900.3	156.1
Capital Works in Progress	5.0	3.8	1.2
<b>Total Non-Current Assets</b>	<b>1,061.4</b>	<b>904.1</b>	<b>157.3</b>
<b>Total Assets</b>	<b>1,080.8</b>	<b>924.6</b>	<b>156.2</b>
<b>Current Liabilities</b>			
Payables	18.4	15.1	3.3
Borrowings	11.8	11.2	0.6
Lease Liabilities	1.6	1.4	0.2
Employee Benefits	36.8	34.9	1.9
<b>Total Current Liabilities</b>	<b>68.6</b>	<b>62.6</b>	<b>6.0</b>
<b>Non-Current Liabilities</b>			
Borrowings <sup>b</sup>	272.5	284.2	(11.7)
Lease Liabilities <sup>c</sup>	11.3	1.0	10.3
Employee Benefits	1.6	1.6	-
Deferred Tax Liabilities <sup>d</sup>	103.9	63.3	40.6
<b>Total Non- Current Liabilities</b>	<b>389.3</b>	<b>350.1</b>	<b>39.2</b>
<b>Total Liabilities</b>	<b>457.9</b>	<b>412.8</b>	<b>45.2</b>
<b>Net Assets</b>	<b>622.9</b>	<b>511.9</b>	<b>111.0</b>

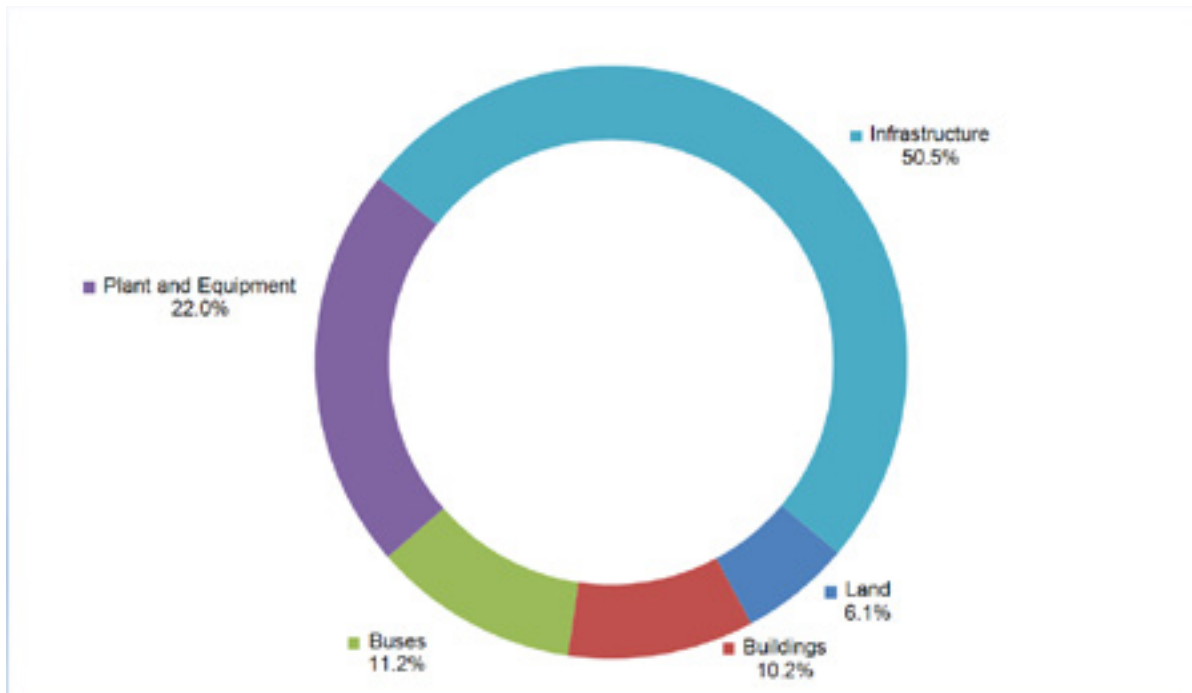
Notes:

- The increase (\$156.1 million) is mainly due to a revaluation increment of the service concession assets in 2023. Assets are revalued every three years.
- The decrease (\$11.7 million) is due to the payments made for the service concession arrangement liability during the year.
- The increase (\$10.3 million) is mainly due to purchasing of 12 zero-emission buses, six charging units and supporting infrastructure, and six diesel buses through leasing arrangements.
- The increase (\$40.6 million) is mainly related to the deferred tax liabilities from the revaluation of assets in 2022-23.

## Financial Position

### Components of Total Assets

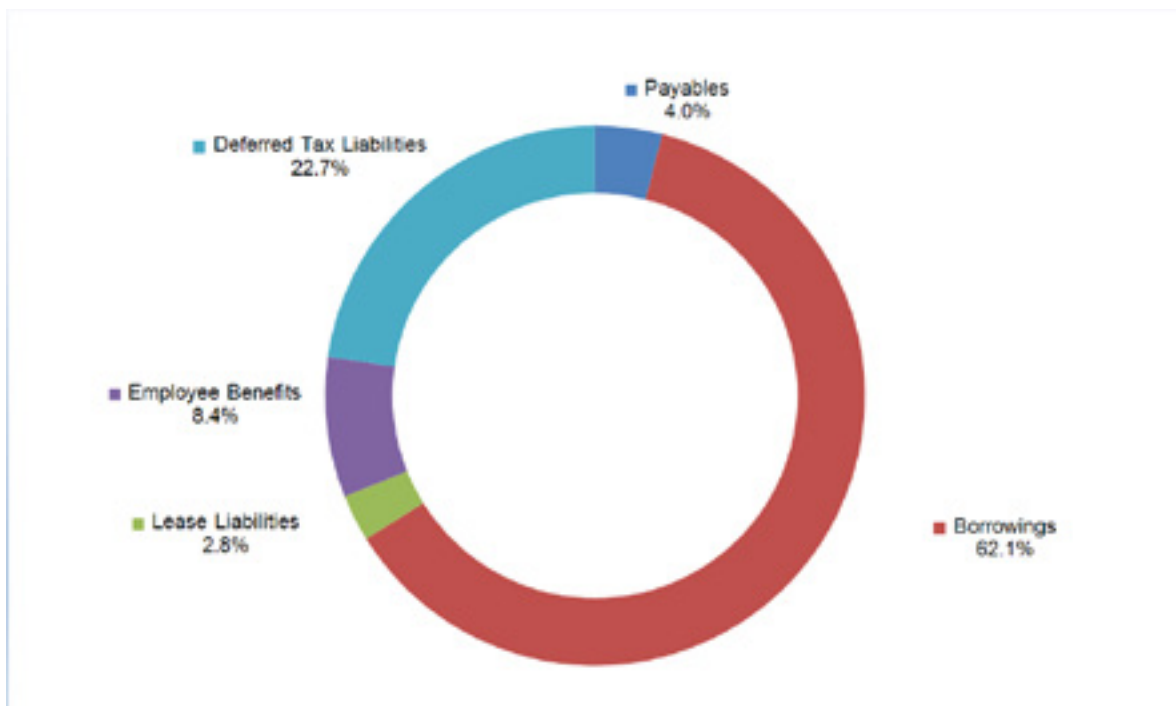
Figure 3 illustrates the components of Property, Plant and Equipment at 30 June 2023.



## Financial Position

### Components of Total Liabilities

Figure 4 illustrates the components of Total Liabilities at 30 June 2023.



## INDEPENDENT AUDITOR'S REPORT

### To the Members of the ACT Legislative Assembly

#### Opinion

I have audited the financial statements of the Transport Canberra and City Services Directorate (Directorate) for the year ended 30 June 2023 which comprise the:

- Controlled financial statements – operating statement, balance sheet, statement of changes in equity, statement of cash flows, and controlled statement of appropriation;
- Territorial financial statements – statement of income and expenses on behalf of the Territory, statement of assets and liabilities on behalf of the Territory, and statement of cash flows on behalf of the Territory; and
- Notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements:

- (i) present fairly, in all material respects, the Directorate's financial position as at 30 June 2023, and its financial performance and cash flows for the year then ended; and
- (ii) are presented in accordance with the *Financial Management Act 1996* and comply with the Australian Accounting Standards.

#### Basis for opinion

I conducted the audit in accordance with the Australian Auditing Standards. My responsibilities under the standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of this report.

I am independent of the Directorate in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (Code). I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinion.

#### Responsibilities of the Directorate for the financial statements

The Director-General is responsible for:

- preparing and fairly presenting the financial statements in accordance with the *Financial Management Act 1996* and the relevant Australian Accounting Standards;
- determining the internal controls necessary for the preparation and fair presentation of the financial statements so that they are free from material misstatements, whether due to error or fraud; and
- assessing the ability of the Directorate to continue as a going concern and disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting in preparing the financial statements.

## **Auditor's responsibilities for the audit of the financial statements**

Under the *Financial Management Act 1996*, the Auditor-General is responsible for issuing an audit report that includes an independent opinion on the financial statements of the Directorate.

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the Directorate's internal controls;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directorate;
- conclude on the appropriateness of the Directorate's use of the going concern basis of accounting and, based on audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Directorate's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in this report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of this report. However, future events or conditions may cause the Directorate to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether they represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Director-General regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Michael Harris  
Auditor-General  
27 September 2023

**Transport Canberra and City Services Directorate**  
**Financial Statements**  
**For the Year Ended 30 June 2023**

**Statement of Responsibility**

In my opinion, the Transport Canberra and City Services Directorate's (Directorate's) financial statements fairly reflect the financial operations for the year ended 30 June 2023 and its financial position on that date.



Karen Doran

A/g Director-General

Transport Canberra and City Services Directorate

26 September 2023

**Transport Canberra and City Services Directorate  
Financial Statements  
For the Year Ended 30 June 2023**

**Statement by the Chief Financial Officer**

In my opinion, the Transport Canberra and City Services Directorate's (Directorate's) financial statements have been prepared in accordance with the Australian Accounting Standards, are in agreement with its accounts and records and fairly reflect its financial operations for the year ended 30 June 2023 and the financial position on that date.

*Andrew Pedersen*

Andrew Pedersen  
Chief Financial Officer  
Transport Canberra and City Services Directorate  
26 September 2023

# **TRANSPORT CANBERRA AND CITY SERVICES DIRECTORATE**

## **CONTROLLED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
30 JUNE 2023**

# Transport Canberra and City Services Directorate

## Content Of Controlled Financial Statements

### For the Year Ended 30 June 2023

#### Financial Statements

Operating Statement  
 Balance Sheet  
 Statement of Changes in Equity  
 Statement of Cash Flows  
 Statement of Appropriation  
 Operating Statement for Output Class 1 - Transport Canberra  
 Operating Statement for Output Class 2 - City Services  
 Disaggregated Disclosure of Assets and Liabilities

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Note	2	Basis of Preparation of the Financial Statements
Note	3	Impact of Accounting Standards Issued But Yet to be Applied

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Note	5	Grants and Contributions Revenue

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Note	7	Supplies and Services
Note	8	Grants and Purchased Services
Note	9	Expensing of Capital Works in Progress
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Note	12	Receivables
Note	13	Property, Plant and Equipment
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**Transport Canberra and City Services Directorate**  
**Operating Statement**  
**For the Year Ended 30 June 2023**

	<b>Note No.</b>	<b>Actual 2023 \$'000</b>	<b>Original Budget 2023 \$'000</b>	<b>Actual 2022 \$'000</b>
<b>Income</b>				
Controlled Recurrent Payments	#	491,097	481,181	467,491
Sales of Goods and Services from Contracts with Customers	4	26,472	28,688	21,460
Fees and Fines		11,782	7,362	9,582
Grants and Contributions Revenue	5	40,031	147,784	40,327
Other Income		12,088	13,724	13,331
Gains from Disposal of Assets		490	-	929
<b>Total Income</b>		<b>581,960</b>	<b>678,739</b>	<b>553,120</b>
<b>Expenses</b>				
Employee Expenses	6	124,774	110,647	121,745
Supplies and Services	7	208,369	223,213	190,355
Depreciation and Amortisation	13	214,155	204,506	198,578
Grants and Purchased Services	8	206,287	197,149	202,482
Borrowing Costs		512	455	434
Expensing of Capital Works in Progress	9	19,757	-	51,345
Other Expenses		3,396	436	2,449
<b>Total Expenses</b>		<b>777,250</b>	<b>736,406</b>	<b>767,388</b>
<b>Operating Result</b>		<b>(195,290)</b>	<b>(57,667)</b>	<b>(214,268)</b>
<b>Other Comprehensive Result</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Increase/(Decrease) in the Asset Revaluation Surplus	20	126,031	(3,428)	1,449,744
<b>Total Other Comprehensive Result</b>		<b>126,031</b>	<b>(3,428)</b>	<b>1,449,744</b>
<b>Total Comprehensive Result</b>		<b>(69,259)</b>	<b>(61,095)</b>	<b>1,235,476</b>

The above Operating Statement is to be read in conjunction with the accompanying notes.

# Refer to the Statement of Appropriation.

**Transport Canberra and City Services Directorate**  
**Balance Sheet**  
**At 30 June 2023**

		Actual 2023 \$'000	Original Budget 2023 \$'000	Actual 2022 \$'000
	Note No.			
<b>Current Assets</b>				
Cash and Cash Equivalents	11	15,003	9,949	26,435
Receivables	12	11,399	17,058	10,807
Inventories		1,286	1,517	1,523
Other Assets		1,181	1,380	1,983
<b>Total Current Assets</b>		<b>28,869</b>	<b>29,904</b>	<b>40,748</b>
<b>Non-Current Assets</b>				
Property, Plant and Equipment	13	11,706,347	10,560,909	11,685,730
Capital Works in Progress	14	149,886	236,806	102,017
Intangible Assets		4,631	9,349	2,350
<b>Total Non-Current Assets</b>		<b>11,860,864</b>	<b>10,807,064</b>	<b>11,790,097</b>
<b>Total Assets</b>		<b>11,889,733</b>	<b>10,836,968</b>	<b>11,830,845</b>
<b>Current Liabilities</b>				
Payables	15	31,658	37,278	36,893
Lease Liabilities	16	5,273	5,150	5,373
Employee Benefits	17	39,717	38,515	36,962
Other Provisions	18	500	9,950	11,150
Other Liabilities	19	3,659	4,215	3,724
<b>Total Current Liabilities</b>		<b>80,807</b>	<b>95,108</b>	<b>94,102</b>
<b>Non-Current Liabilities</b>				
Lease Liabilities	16	6,860	7,880	7,777
Employee Benefits	17	2,022	2,384	2,059
Other Provisions	18	6,177	16,000	15,611
Other Liabilities	19	4,247	4,513	8,280
<b>Total Non-Current Liabilities</b>		<b>19,306</b>	<b>30,777</b>	<b>33,727</b>
<b>Total Liabilities</b>		<b>100,113</b>	<b>125,885</b>	<b>127,829</b>
<b>Net Assets</b>		<b>11,789,620</b>	<b>10,711,083</b>	<b>11,703,016</b>
<b>Equity</b>				
Accumulated Funds		5,807,857	6,159,523	5,847,284
Asset Revaluation Surplus	20	5,981,763	4,551,560	5,855,732
<b>Total Equity</b>		<b>11,789,620</b>	<b>10,711,083</b>	<b>11,703,016</b>

The above Balance Sheet is to be read in conjunction with the accompanying notes.

**Transport Canberra and City Services Directorate**  
**Statement of Changes in Equity**  
**For the Year Ended 30 June 2023**

		Accumulated	Asset	Total	Total
		Funds	Revaluation	Equity	Equity
		Actual	Surplus	Actual	Original
Note		2023	2023	2023	Budget
No.		\$'000	\$'000	\$'000	2023
					\$'000
<b>Balance at 1 July 2022</b>		<b>5,847,284</b>	<b>5,855,732</b>	<b>11,703,016</b>	<b>10,565,782</b>
<b>Comprehensive Result</b>					
Operating Result		(195,290)	-	(195,290)	(57,667)
Increase/(Decrease) in the Asset Revaluation Surplus	20	-	126,031	126,031	(3,428)
<b>Total Comprehensive Result</b>		<b>(195,290)</b>	<b>126,031</b>	<b>(69,259)</b>	<b>(61,095)</b>
<b>Transactions Involving Owners Affecting Accumulated Funds</b>					
Capital Injections <sup>a</sup>	#	148,389	-	148,389	220,853
Capital Payments to TCO		(15,892)	-	(15,892)	(29,459)
Net Assets Transferred in due to Administrative Arrangements		-	-	-	2
Net Assets Transferred from MPC		23,366	-	23,366	15,000
<b>Total Transactions Involving Owners Affecting Accumulated Funds</b>		<b>155,863</b>	<b>-</b>	<b>155,863</b>	<b>206,396</b>
<b>Balance at 30 June 2023</b>		<b>5,807,857</b>	<b>5,981,763</b>	<b>11,789,620</b>	<b>10,711,083</b>

The above Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

# Refer to the Statement of Appropriation.

- a) Capital Injections include capital payments of \$148.4 million mainly for the following projects: \$59.6 million for Road Upgrades and Safety, \$23.7 million for Better Suburbs and Town Centres, \$18.9 million for Waste Management and Managing Waste Better, \$13.1 million for the New Woden Bus Depot and Bus Stop and Interchange Upgrade, \$7.9 million for Stormwater, \$3.6 million for Sports grounds Facilities Upgrades, \$3.2 million for Active Travel, and \$2.5 million for Library Enhancement and Redevelopment.

**Transport Canberra and City Services Directorate**  
**Statement of Changes in Equity – Continued**  
**For the Year Ended 30 June 2023**

		Accumulated Funds Actual 2022 \$'000	Asset Revaluation Surplus Actual 2022 \$'000	Total Equity Actual 2022 \$'000
	Note No.			
<b>Balance at 1 July 2021</b>		<b>5,946,816</b>	<b>4,405,988</b>	<b>10,352,804</b>
<b>Comprehensive Result</b>				
Operating Result		(214,268)	-	(214,268)
Increase in the Asset Revaluation Surplus	20	-	1,449,744	1,449,744
<b>Total Comprehensive Result</b>		<b>(214,268)</b>	<b>1,449,744</b>	<b>1,235,476</b>
<b>Transactions Involving Owners Affecting Accumulated Funds</b>				
Capital Injections <sup>a</sup>	#	129,040	-	129,040
Capital Payments to TCO		(14,304)	-	(14,304)
<b>Total Transactions Involving Owners Affecting Accumulated Funds</b>		<b>114,736</b>	<b>-</b>	<b>114,736</b>
<b>Balance at 30 June 2022</b>		<b>5,847,284</b>	<b>5,855,732</b>	<b>11,703,016</b>

The above Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

# Refer to the Statement of Appropriation.

- a) Capital Injections include capital payments of \$129.0 million mainly for the following projects: \$67.0 million for Road Upgrades and Safety, \$12.2 million for Better Suburbs and Town Centres, 10.5 million for Stormwater, \$3.4 million for Sports grounds Facilities Upgrades, \$3.3 million for Active Travel, and \$2.9 million for Better Public Transport.

**Transport Canberra and City Services Directorate**  
**Statement of Cash Flows**  
**For the Year Ended 30 June 2023**

	Note No.	Actual 2023 \$'000	Original Budget 2023 \$'000	Actual 2022 \$'000
<b>Cash Flows from Operating Activities</b>				
<b>Receipts</b>				
Controlled Recurrent Payments		491,097	481,181	467,491
Sales of Goods and Services from Contracts with Customers		29,196	27,387	29,154
Fees and Fines		11,769	7,683	9,942
Grants and Contributions Receipts		1,738	-	2,153
Goods and Services Input Tax Credits from ATO		28,965	20,558	26,720
Goods and Services Tax Collected from Customers		5,066	3,330	3,462
Other		6,684	15,088	12,488
<b>Total Receipts from Operating Activities</b>		<b>574,515</b>	<b>555,227</b>	<b>551,410</b>
<b>Payments</b>				
Employee Payments		122,030	108,625	118,786
Supplies and Services		205,570	222,306	174,635
Grants and Purchased Services		206,287	197,149	202,482
Borrowing Costs		38	-	44
Goods and Services Tax Remitted to ATO		4,988	3,453	3,572
Goods and Services Tax Paid to Suppliers		29,953	20,405	25,422
Other		-	2	-
<b>Total Payments from Operating Activities</b>		<b>568,866</b>	<b>551,940</b>	<b>524,941</b>
<b>Net Cash Inflows from Operating Activities</b>	11	<b>5,649</b>	<b>3,287</b>	<b>26,469</b>
<b>Cash Flows from Investing Activities</b>				
<b>Receipts</b>				
Proceeds from Sale of Property, Plant and Equipment		495	-	957
<b>Total Receipts from Investing Activities</b>		<b>495</b>	<b>-</b>	<b>957</b>
<b>Payments</b>				
Purchase of Property, Plant and Equipment		6,718	13,167	6,065
Purchase of Capital Works		136,766	179,606	118,500
<b>Total Payments from Investing Activities</b>		<b>143,484</b>	<b>192,773</b>	<b>124,565</b>
<b>Net Cash (Outflows) from Investing Activities</b>		<b>(142,989)</b>	<b>(192,773)</b>	<b>(123,608)</b>

**Transport Canberra and City Services Directorate**  
**Statement of Cash Flows – Continued**  
**For the Year Ended 30 June 2023**

	Note No.	Actual 2023 \$'000	Original Budget 2023 \$'000	Actual 2022 \$'000
<b>Cash Flows from Financing Activities</b>				
<b>Receipts</b>				
Capital Injections		148,389	220,853	129,040
<b>Total Receipts from Financing Activities</b>		<b>148,389</b>	<b>220,853</b>	<b>129,040</b>
<b>Payments</b>				
Repayment of Borrowings		93	246	45
Repayment of Lease Liabilities - Principal		6,496	4,930	6,890
Capital Payments to TCO		15,892	29,459	14,304
<b>Total Payments from Financing Activities</b>		<b>22,481</b>	<b>34,635</b>	<b>21,239</b>
<b>Net Cash Inflows from Financing Activities</b>		<b>125,908</b>	<b>186,218</b>	<b>107,801</b>
 <b>Net (Decrease)/Increase in Cash and Cash Equivalents</b>		 (11,432)	 (3,268)	 10,662
Cash and Cash Equivalents at the Beginning of the Reporting Period		26,435	13,217	15,773
<b>Cash and Cash Equivalents at the End of the Reporting Period</b>	11	<b>15,003</b>	<b>9,949</b>	<b>26,435</b>

The above Statement of Cash Flows is to be read in conjunction with the accompanying notes.

## Transport Canberra and City Services Directorate Statement of Appropriation For the Year Ended 30 June 2023

### Description and Material Accounting Policies relating to Controlled Recurrent Payments

Controlled Recurrent Payments (CRP) are revenues received from the ACT Government to fund the costs of delivering outputs. CRP are recognised when the Directorate gains control over the funding which is normally obtained upon the receipt of cash, given they do not contain enforceable and sufficiently specific performance obligations as defined by AASB 15 'Revenue from Contracts with Customers'.

Community Service Obligations revenue is received mainly for TCO's public transport operations.

Capital injection appropriations are not recognised as income, but instead are recognised as equity injections and a cash inflow which is used to purchase/build an asset(s) or to reduce a liability(s).

### Column Heading Explanations

The Original Budget column shows the amounts that appear in the Statement of Cash Flows in the Budget Papers. This amount also appears in the Statement of Cash Flows.

The Total Appropriated column is inclusive of all appropriation variations occurring after the Original Budget.

The Appropriation Drawn is the total amount of appropriation received by the Directorate during the year. This amount appears in the Statement of Cash Flows.

	Original Budget 2023 \$'000	Total Appropriated 2023 \$'000	Appropriation Drawn 2023 \$'000	Appropriation Drawn 2022 \$'000
<b>Controlled</b>				
Controlled Recurrent Payments <sup>a</sup>	284,660	295,106	286,330	276,182
Community Service Obligations <sup>b</sup>	196,521	213,130	204,767	191,309
Capital Injections	220,853	256,435	148,389	129,040
<b>Total Controlled Appropriation</b>	<b>702,034</b>	<b>764,671</b>	<b>639,486</b>	<b>596,531</b>

The above Statement of Appropriation is to be read in conjunction with the accompanying notes.

- a) The increase in the appropriation drawn in 2022-23 (\$10.1 million) is mainly due to additional costs associated with transporting and processing of recycling material following the fire at the Material Recovery Facility in December 2022 and increased waste management contract costs associated with higher than expected fuel prices.
- b) The increase in the appropriation drawn in 2022-23 (\$13.5 million) is mainly due to additional funding from the ACT Government compensating for a reduction in transport fare revenue (\$8.3 million), additional funding for the new ticketing system (\$3.9 million) and for bus depot energy supply works (\$2.0 million). This is partially offset by cost savings resulting from the delay in completion of the Woden bus depot (\$2.2 million) and Government savings measures.

**Transport Canberra and City Services Directorate  
Controlled Statement of Appropriation – Continued  
For the Year Ended 30 June 2023**

	Controlled Recurrent Payments (CRP) \$'000	Capital Injections (CI) \$'000
<b>Reconciliation of Appropriation for 2022-23</b>		
Original Appropriation	481,181	220,853
Supplementary Appropriation (FMA s13)	10,459	6,718
Transfer of Appropriation (FMA s14a)	764	(764)
Rollover of Undisbursed Appropriation (FMA s16b)	1,539	28,970
Variation of Appropriations for Commonwealth Grants (FMA s17)	-	658
Treasurer's Advance (FMA s18)	14,293	-
<b>Total Appropriated</b>	<b>508,236</b>	<b>256,435</b>
Undrawn Funds	(17,139)	(108,046)
<b>Total Appropriation Drawn</b>	<b>491,097</b>	<b>148,389</b>

**Variance between Total Appropriated and Appropriation Drawn**

**Controlled Recurrent Payments**

The undrawn CRP are mainly related to the estimated salary and wages increases resulting from the enterprise bargaining and pay offer (\$5.3 million) which will be paid in 2023-24; delays in the electrical supply upgrades at the Woden bus depot (\$3.0 million); reduced operation and maintenance costs as a result of delays in the completion of the Woden bus depot (\$2.2 million) and delays in receiving road safety contribution grant reports (\$1.1 million).

**Capital Injections**

Undrawn Capital Injections are mainly related to the revised allocations of Commonwealth grants for capital infrastructure projects (\$30.7 million) and the deferral and delays of capital infrastructure projects. Significant undrawn projects include:

- Molonglo Enabling Works (\$12.8 million);
- Constructing the William Hovel Drive duplication (\$11.5 million);
- Road Safety Program (\$5.8 million);
- Material Recovery Facility (\$5.5 million);
- Supporting the transition to zero-emissions bus fleet (electrical infrastructure to the Tuggeranong and Belconnen bus depots) (\$5.0 million);
- Monaro Highway upgrade (\$5.0 million);
- Roads to Recovery (\$5.0 million);
- Future bus network (\$2.6 million); and
- Better buses to support the new bus network (\$2.4 million).

The remaining balance is related to capital infrastructure projects that are lower in value.

## Transport Canberra and City Services Directorate Operating Statement for Output Class 1 – Transport Canberra For the Year Ended 30 June 2023

### Description

**Output Class 1:** 'Transport Canberra' includes the Government subsidy paid to bus and light rail operations, and the strategic oversight of the public transport network, public transport asset management and the Active Travel Office.

	Actual 2023 \$'000	Original Budget 2023 \$'000	Actual 2022 \$'000
<b>Income</b>			
Controlled Recurrent Payments	220,615	213,241	213,224
Sales of Goods and Services from Contracts with Customers	344	-	386
Grants and Contributions Revenue	781	970	935
Other Income	211	-	236
<b>Total Income</b>	<b>221,951</b>	<b>214,211</b>	<b>214,781</b>
<b>Expenses</b>			
Employee Expenses	9,557	9,620	6,944
Supplies and Services	6,148	9,093	4,715
Depreciation and Amortisation	8	34	27
Grants and Purchased Services	204,768	196,200	201,087
Expensing of Capital Works in Progress	410	-	55
Other Expenses	3	-	9
<b>Total Expenses</b>	<b>220,894</b>	<b>214,947</b>	<b>212,837</b>
<b>Operating Result</b>	<b>1,057</b>	<b>(736)</b>	<b>1,944</b>

## Transport Canberra and City Services Directorate

### Operating Statement for Output Class 2 – City Services

#### For the Year Ended 30 June 2023

#### Description

**Output Class 2:** 'City Services' includes:

- **2.1: Roads and Infrastructure** – Management of the Territory's road and associated assets, stormwater infrastructure, community paths, bridges, traffic signals, streetlights and car parks. This output also includes the provision of asset information services, capital works and development approvals relating to the acceptance of new infrastructure assets.
- **2.2: Library Services** – Provision of library services to the community through Libraries ACT's branches, home library service, the ACT Virtual Library and the Heritage Library.
- **2.3: Waste and Recycling** – Provision of domestic waste, recyclables and green waste collection services, operation of resource management and recycling centres, development of waste policy, and implementation and evaluation of waste management programs.
- **2.4: City Maintenance and Services** – Planning and management of the Territory's parks and urban open space system including associated community infrastructure, maintaining the look and feel of the city, and managing the urban forest and sportsgrounds facilities. The Directorate also provides advice, education and compliance services in relation to municipal ranger functions, domestic animal management, plant and animal licensing and significant tree protection. This output also includes Yarralumla Nursery and Birrigai Outdoor School, which was transferred to the Education Directorate from 1 January 2023.
- **2.5: Capital Linen Service** – Provision of a managed linen service to a range of customers including public and private hospitals, health and aged care providers, hotels, restaurants, major tourist attractions, educational institutions, and emergency services.

	Actual 2023 \$'000	Original Budget 2023 \$'000	Actual 2022 \$'000
<b>Income</b>			
Controlled Recurrent Payments	270,482	267,940	254,267
Sales of Goods and Services from Contracts with Customers	27,073	28,688	21,630
Fees and Fines	11,784	7,362	9,583
Grants and Contributions Revenue	39,250	146,814	39,392
Other Income	14,637	13,724	15,739
Gains from Disposal of Assets	491	-	929
<b>Total Income</b>	<b>363,717</b>	<b>464,528</b>	<b>341,540</b>
<b>Expenses</b>			
Employee Expenses	115,251	101,027	114,600
Supplies and Services	205,565	214,120	189,042
Depreciation and Amortisation	214,147	204,472	198,551
Grants and Purchased Services	1,520	949	1,395
Borrowing Costs	512	455	434
Expensing of Capital Works in Progress	19,678	-	51,290
Other Expenses	3,391	436	2,440
<b>Total Expenses</b>	<b>560,064</b>	<b>521,459</b>	<b>557,752</b>
<b>Operating Result</b>	<b>(196,347)</b>	<b>(56,931)</b>	<b>(216,212)</b>

## Transport Canberra and City Services Directorate Financial Statements For the Year Ended 30 June 2023

### Disaggregated Disclosure of Assets and Liabilities

At 30 June 2023

	Output Class 1 Transport Canberra \$'000	Output Class 2 City Services \$'000	Total \$'000
<b>Current Assets</b>			
Cash and Cash Equivalents	-	15,003	15,003
Receivables	13	11,386	11,399
Inventories	-	1,286	1,286
Other Assets	-	1,181	1,181
<b>Total Current Assets</b>	<b>13</b>	<b>28,856</b>	<b>28,869</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment		11,706,347	11,706,347
Capital Works in Progress	-	149,886	149,886
Intangible Assets	-	4,631	4,631
<b>Total Non-Current Assets</b>	<b>-</b>	<b>11,860,864</b>	<b>11,860,864</b>
<b>Total Assets</b>	<b>13</b>	<b>11,889,720</b>	<b>11,889,733</b>
<b>Current Liabilities</b>			
Payables	94	31,564	31,658
Lease Liabilities	-	5,273	5,273
Employee Benefits	468	39,249	39,717
Other Provisions	-	500	500
Other Liabilities	-	3,659	3,659
<b>Total Current Liabilities</b>	<b>562</b>	<b>80,245</b>	<b>80,807</b>
<b>Non-Current Liabilities</b>			
Lease Liabilities	-	6,860	6,860
Employee Benefits	35	1,987	2,022
Other Provisions	-	6,177	6,177
Other Liabilities	-	4,247	4,247
<b>Total Non-Current Liabilities</b>	<b>35</b>	<b>19,271</b>	<b>19,306</b>
<b>Total Liabilities</b>	<b>597</b>	<b>99,516</b>	<b>100,113</b>
<b>Net (Liabilities)/Assets</b>	<b>(584)</b>	<b>11,790,204</b>	<b>11,789,620</b>

# Transport Canberra and City Services Directorate

## Financial Statements For the Year Ended 30 June 2023

### Disaggregated Disclosure of Assets and Liabilities – Continued

At 30 June 2022

	Output Class 1 Transport Canberra \$'000	Output Class 2 City Services \$'000	Total \$'000
<b>Current Assets</b>			
Cash and Cash Equivalents	-	26,435	26,435
Receivables	27	10,780	10,807
Inventories	-	1,523	1,523
Other Assets	-	1,983	1,983
<b>Total Current Assets</b>	<b>27</b>	<b>40,721</b>	<b>40,748</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	-	11,685,730	11,685,730
Capital Works in Progress	-	102,017	102,017
Intangible Assets	-	2,350	2,350
<b>Total Non-Current Assets</b>	<b>-</b>	<b>11,790,097</b>	<b>11,790,097</b>
<b>Total Assets</b>	<b>27</b>	<b>11,830,818</b>	<b>11,830,845</b>
<b>Current Liabilities</b>			
Payables	-	36,893	36,893
Lease Liabilities	-	5,373	5,373
Employee Benefits	427	36,535	36,962
Other Provisions	-	11,150	11,150
Other Liabilities	-	3,724	3,724
<b>Total Current Liabilities</b>	<b>427</b>	<b>93,675</b>	<b>94,102</b>
<b>Non-Current Liabilities</b>			
Lease Liabilities	-	7,777	7,777
Employee Benefits	49	2,010	2,059
Other Provisions	-	15,611	15,611
Other Liabilities	-	8,280	8,280
<b>Total Non-Current Liabilities</b>	<b>49</b>	<b>33,678</b>	<b>33,727</b>
<b>Total Liabilities</b>	<b>476</b>	<b>127,353</b>	<b>127,829</b>
<b>Net (Liabilities)/Assets</b>	<b>(449)</b>	<b>11,703,465</b>	<b>11,703,016</b>

# **Transport Canberra and City Services Directorate**

## **Notes to and Forming Part of the Financial Statements**

### **For the Year Ended 30 June 2023**

#### **NOTE 1 OBJECTIVES OF THE DIRECTORATE**

##### **Operations and Principal Activities**

Transport Canberra and City Services Directorate (the Directorate) assists Canberrans to move around the city and provides high quality city services to the community. Delivery of these services is citizen-focused with a goal of improving the liveability of our city through the provision of core services and an integrated transport network, ensuring Canberra remains a great place to live, work and relax.

The Directorate delivers services to create an attractive cityscape filled with high quality amenities, an effective road network, an integrated public transport system, and other city services which are necessary to support a growing community as well as attract tourism and business investment to the region.

The Directorate is responsible for the planning, building and maintenance of many of the ACT Government's infrastructure assets such as roads, bridges, cycling and community paths, and the streetlight network. It also plays an important role in managing the city's open space, parks, neighbourhood play areas and playground equipment, sportsgrounds, recreational facilities, and local shops. The Directorate improves community safety by making ACT roads safer for all users including vulnerable users.

The range of community services delivered by the Directorate includes libraries, waste and recycling services, safer walking and cycling around schools and city amenity. In designing and delivering these services, the Directorate strives to make them accessible for all members of the community.

The Directorate strives to continually improve public transport outcomes, providing an integrated light rail and bus network that is convenient, efficient, affordable, sustainable, and reliable.

Capital Linen Service, ACT NoWaste, Domestic Animal Services and Yarralumla Nursery are also managed by the Directorate. Birrigai Outdoor School was transferred to the Education Directorate from 1 January 2023. The Directorate has administrative oversight responsibility for the Cemeteries and Crematoria Authority which operates the Woden, Gungahlin, and Hall cemeteries. The Cemeteries and Crematoria Authority is a separate reporting entity that prepares separate financial statements which are annexed to the Directorate's Annual Report.

TCO, Canberra's public transport provider, is also part of the Directorate. TCO is a public trading enterprise within the Directorate. TCO is a separate reporting entity with its own financial information, strategic and accountability indicators and reports separately within the Directorate's Annual Report.

# **Transport Canberra and City Services Directorate**

## **Notes to and Forming Part of the Financial Statements**

### **For the Year Ended 30 June 2023**

#### **NOTE 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS**

##### **LEGISLATIVE REQUIREMENTS**

The *Financial Management Act 1996* (FMA) requires the preparation of annual financial statements for ACT Government Directorates.

The FMA, and the *Financial Management Guidelines* issued under the Act, requires a Directorate's financial statements to include:

- (i) an Operating Statement for the year;
- (ii) a Balance Sheet at the end of the year;
- (iii) a Statement of Changes in Equity for the year;
- (iv) a Statement of Cash Flows for the year;
- (v) a Statement of Appropriation for the year;
- (vi) an Operating Statement for each class of output for the year;
- (vii) the material accounting policies adopted for the reporting year; and
- (viii) other statements as necessary to fairly reflect the financial operations of the Directorate during the year and its financial position as at the end of the year.

These general-purpose financial statements have been prepared in accordance with:

- (i) Australian Accounting Standards; and
- (ii) ACT Accounting and Disclosure Policies.

##### **ACCRUAL ACCOUNTING**

The Financial Statements have been prepared using the accrual basis of accounting. The Financial Statements are prepared according to the historical cost convention, except for Property, Plant and Equipment, and Financial Instruments that are valued at fair value in accordance with the valuation policies applicable to the Directorate during the reporting period.

##### **GOING CONCERN**

At 30 June 2023, the Directorate's Current Liabilities (\$80.8 million) exceeded its Current Assets (\$28.9 million) by \$51.9 million. Whilst there have been deficits over the past few years, this is not considered a liquidity risk as the Directorate's cash needs are funded through an appropriation by the ACT Government on a cash-needs basis. This is consistent with the whole of Government cash management regime, which requires excess cash balances to be held centrally rather than within individual agency bank accounts.

# **Transport Canberra and City Services Directorate**

## **Notes to and Forming Part of the Financial Statements**

### **For the Year Ended 30 June 2023**

#### **NOTE 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS – CONTINUED**

The 2022-23 Financial Statements have been prepared on a going concern basis as the Directorate provides essential services to ACT residents and is funded in the 2023-24 Budget and the Budget Papers include forward estimates for the Directorate.

#### **IMPACT OF COVID-19**

The Directorate has continued assessing the impact of the COVID-19 pandemic on the balances included in its financial statements. The variances associated with changes in operations compared to budget and prior year resulting from the COVID-19 pandemic are explained within the relevant notes.

#### **CURRENCY**

These Financial Statements are presented in Australian dollars.

#### **INDIVIDUAL NOT-FOR-PROFIT REPORTING ENTITY**

The Directorate is an individual not-for-profit financial reporting entity.

#### **CONTROLLED AND TERRITORIAL ITEMS**

The Directorate produces Controlled and Territorial financial statements. The Controlled Financial Statements include income, expenses, assets and liabilities over which the Directorate has control. The Territorial Financial Statements include income, expenses, assets and liabilities that the Directorate administers on behalf of the ACT Government but does not control.

The purpose of the distinction between Controlled and Territorial is to enable an assessment of the Directorate's performance against the decisions it has made in relation to the resources it controls while maintaining accountability for all resources under its responsibility.

The basis of preparation described applies to both Controlled and Territorial Financial Statements except where specified otherwise.

#### **GLOSSARY**

Abbreviations used in the Financial Statements are based on the TCCS annual report glossary.

**Transport Canberra and City Services Directorate  
Notes to and Forming Part of the Financial Statements  
For the Year Ended 30 June 2023**

**NOTE 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS –  
CONTINUED**

**BUDGET FIGURES**

To facilitate a comparison with the Budget Papers, as required by the FMA, budget information included in the Original Budget Papers for 2022-23 has been presented in the Financial Statements.

**PRIOR YEAR COMPARATIVES**

Comparative information has been disclosed in respect of the previous period for amounts reported in the financial statements, except where an Australian Accounting Standard does not require comparative information to be disclosed.

Where the presentation or classification of items in the financial statements is amended, the comparative amounts have been reclassified where practical. Where a reclassification has occurred, the nature, amount and reason for the reclassification is provided.

**ROUNDING**

All amounts in the Financial Statements have been rounded to the nearest thousand dollars (\$000).

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 3 IMPACT OF ACCOUNTING STANDARDS ISSUED BUT YET TO BE APPLIED**

The information below applies to both the Controlled and Territorial financial statements.

All Australian Accounting Standards and Interpretations issued but yet to be applied are applicable to future reporting periods and will be adopted from their application date. The Directorate is currently assessing whether AASB 2022-10 will have a material financial impact on the Directorate (application date on or after 1 January 2024).

AASB 2022-10 amends AASB 13 by adding authoritative implementation guidance and providing related illustrative examples, for fair value measurements of non-financial assets of not-for-profit public sector agencies not held primarily for their ability to generate net cash inflows. The standard now:

- (a) specifies that the Directorate is required to consider whether the asset's highest and best use differs from its current use only when it is held for sale or held for distribution to owners in accordance with AASB 5 Non-current Assets Held for Sale and Discontinued Operations or it is highly probable that the asset will be used for an alternative purpose to its current use;
- (b) clarifies that the asset's use is 'financially feasible' if market participants would be willing to invest in the asset's service capacity, considering both the capability of the asset to be used to provide needed goods or services to beneficiaries and the resulting cost of those goods or services;
- (c) specifies that, if both the market selling price of a comparable asset and some market participant data required to measure the fair value of the asset are not observable, an agency uses its own assumptions as a starting point in developing unobservable inputs and adjusts those assumptions to the extent that reasonably available information indicates that other market participants (including, but not limited to, other not-for-profit public sector agencies) would use different data; and
- (d) provides guidance on how the cost approach is to be applied to measure the asset's fair value, including guidance on the nature of costs to include in the replacement cost of a reference asset and on the identification of economic obsolescence.

**Transport Canberra and City Services Directorate  
Notes to and Forming Part of the Financial Statements  
For the Year Ended 30 June 2023**

**INCOME NOTES**

**MATERIAL ACCOUNTING POLICIES – INCOME**

**Income Recognition**

Revenue is recognised in accordance with AASB 15 'Revenue from Contracts with Customers' (AASB 15) where the contract is enforceable and contains sufficiently specific performance obligations, otherwise revenue is in the scope of AASB 1058 'Income of Not-for-Profit Entities' (AASB 1058).

**NOTE 4 SALES OF GOODS AND SERVICES FROM CONTRACTS WITH CUSTOMERS**

**Description and Material Accounting Policies relating to the Sale of Goods and Services**

The Directorate has undertaken a review to determine whether the goods and services it provides need to be classified as revenue from contracts with customers in accordance with AASB 15. This review involved obtaining information about contracts and other arrangements to make an assessment about whether any of these arrangements fall within the scope of AASB 15. The Directorate then assessed its revenue from contracts with customers to determine the timing and nature of the satisfaction of performance obligations.

The Directorate earns revenue from providing goods and services to other ACT Government Entities and to the public. Revenue is based on the transfer of promised goods or services to customers at an amount that reflects the consideration in exchange for those goods or services. Revenue is recognised by applying a five-step model under AASB 15.

1. Identify the contract with the customer;
2. Identify the performance obligations;
3. Determine the transaction price;
4. Allocate the transaction price; and
5. Recognise revenue as or when control of the performance obligation is transferred to the customer.

The timing of the payment for sale of goods and rendering of services largely corresponds with the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability. The Directorate does not offer volume discounts to its customers.

**Rendering of Services**

Rendering of Services predominantly relates to the provision of linen and library services, hiring of sports grounds and community facilities, and Birrigai Outdoor School (which was transferred to the Education Directorate from 1 January 2023). The performance obligation for these revenue sources is the delivery of service to the customer. The Directorate meets its performance obligations and records revenue when the service is delivered to the customer.

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 4 SALES OF GOODS AND SERVICES FROM CONTRACTS WITH CUSTOMERS – CONTINUED**

**Acceptance Fees for Contaminated Waste**

Acceptance Fees for Contaminated Waste is for the disposal of waste relating to asbestos, animal carcasses and other waste requiring special burial arrangements. The performance obligation is the provision of landfill site access to a customer. The Directorate meets its performance obligations and records revenue at the time of disposal of contaminated waste at the landfill sites.

**Sale of Goods**

Sale of Goods largely relates to plant sales at the Yarralumla Nursery and green bin sales to ACT residents. The performance obligation is the supply of plants and green bins to a customer. Revenue is recognised on the transfer of physical possession to a customer.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Acceptance Fees for Contaminated Waste	1,276	606
Rendering of Services <sup>a</sup>	23,422	19,005
Sale of Goods	1,774	1,849
<b>Total Sales of Goods and Services from Contracts with Customers</b>	<b>26,472</b>	<b>21,460</b>

- a) The increase (\$4.4 million) is mainly due to increased demand for linen services for hotels and accommodation facilities in Canberra.

**Transport Canberra and City Services Directorate  
Notes to and Forming Part of the Financial Statements  
For the Year Ended 30 June 2023**

**NOTE 5 GRANTS AND CONTRIBUTIONS REVENUE**

**Description and Material Accounting Policies relating to Grants and Contributions Revenue**

**Contributions Accounting Policy**

Revenue recognised in this note is within the scope of AASB 1058 and based on the asset received (generally cash or other financial asset) at fair value.

When the Directorate receives an asset or services for significantly less than fair value, revenue is recognised on receipt of the asset / services. Where services are received, the expense is recognised in the line item to which it relates.

**Resources Received Free of Charge**

Goods and services received free of charge from ACT Government Entities are recognised as resources received free of charge, whereas goods and services received free of charge from entities external to the ACT Government are recognised as donations or contributions.

Services that are received free of charge are only recognised in the Operating Statement if they can be reliably measured and would have been purchased if not provided free of charge.

Legal Services were received free of charge from GSO for their representation of the Directorate in ACT Courts. The GSO provided the Directorate with the fair value of the services provided free of charge. As the Directorate had to defend these actions in court, it would have had to pay for these services had they not been received free of charge.

The Directorate is required by the ACT Government to use SS for its financial and HR processing. SS is part of CMTEDD. Given SS is directly appropriated by the ACT Government to provide certain services at a fixed cost to the Directorate, it means that the Directorate does not have to pay for these services.

MPC provides procurement and infrastructure delivery services to the Directorate free of charge. MPC is directly appropriated to deliver these services and as such, the Directorate is required to use these services. The fair value of these services provided are capitalised on the Balance Sheet as they are directly attributable to the creation of the assets for which the service is provided.

Other Services mainly relates to cost of teachers working at the Birrigai Outdoor School. The Directorate would have had to employ staff if they were not provided by ED. As such, these amounts have been recognised as resources received free of charge.

**Other Grants and Contributions**

Assets received from ACT Government entities and private developers represent infrastructure assets transferred to the Directorate. These assets include roads, bridges, stormwater assets, footpaths, carparks, streetlights and paving. The Directorate is not required to provide any consideration in return for the contributed assets. The Directorate records these assets at transferor's book value and subsequently values these assets in accordance with the Directorate's accounting policies mentioned in Note 13 Property, Plant and Equipment. Timing of asset transfers is dependent on public and private sector developments.

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 5 GRANTS AND CONTRIBUTIONS REVENUE - CONTINUED**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Resources Received Free of Charge</b>		
Legal Services	1,766	1,525
Financial Services provided by SS	1,455	1,328
Human Resources Services provided by SS	1,087	949
Record Management Services provided by TRO	35	39
Project Management Services provided by MPC <sup>a</sup>	7,154	984
Other Services	1,360	1,260
<b>Total Resources Received Free of Charge</b>	<b>12,857</b>	<b>6,085</b>
<b>Other Grants and Contributions</b>		
Grants and Contributions from ACT Government Entities <sup>b</sup>		
Assets Received from ACT Government Entities	14,562	25,276
Grants and Contributions from Non-ACT Government Entities		
Assets Received from Private Developers <sup>b</sup>	10,925	6,813
Waste Education Fund Contribution	1,669	2,016
Commonwealth Government Grants	-	88
Grants to Acquire or Construct Assets to be Controlled by TCCS	18	49
<b>Total Other Grants and Contributions</b>	<b>27,174</b>	<b>34,242</b>
<b>Total Grants and Contributions</b>	<b>40,031</b>	<b>40,327</b>

- a) The increase (\$6.2 million) is mainly due to an increase in various projects managed by MPC including Road Upgrades and Safety projects (\$2.4 million), the duplication of Gundaroo Drive Stage 3 (\$0.6 million), and the new Woden bus depot project (\$0.3 million).
- b) The decrease (\$6.6 million) is mainly due to the lower value of assets transferred from the SLA (\$10.8 million), partially offset by an increase in the value of assets transferred from private developers (\$4.1 million). These amounts vary year to year.

**Transport Canberra and City Services Directorate  
Notes to and Forming Part of the Financial Statements  
For the Year Ended 30 June 2023**

**EXPENSE NOTES**

**NOTE 6 EMPLOYEE EXPENSES**

**Description and Material Accounting Policies Relating to Employee Expenses**

Employee benefits include:

- short-term employee benefits such as wages and salaries, annual leave loading, non-monetary benefits (e.g. vehicles) and applicable on-costs, if expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related services;
- other long-term benefits such as long service leave and annual leave; and
- termination benefits.

On-costs include annual leave, long service leave, superannuation and other costs that are incurred when employees take annual leave and long service leave.

Employees of the Directorate have different superannuation arrangements due to the type of superannuation scheme available at the time of commencing employment, including both defined benefit and defined contribution superannuation scheme arrangements.

For employees who are members of the defined benefit Commonwealth Superannuation Scheme (CSS) and Public Sector Superannuation Scheme (PSS), the Directorate makes employer superannuation contribution payments to the Territory Banking Account at a rate determined by CMTEDD. The Directorate also makes productivity superannuation contribution payments on behalf of these employees to the Commonwealth Superannuation Corporation, which is responsible for administration of the schemes.

For employees who are members of defined contribution superannuation schemes (the Public Sector Superannuation Scheme Accumulation Plan (PSSAP) and schemes of employee choice), the Directorate makes employer superannuation contribution payments directly to the employees' relevant superannuation fund.

All defined benefit employer superannuation contributions are recognised as expenses on the same basis as the employer superannuation contributions made to defined contribution schemes. The accruing superannuation liability obligations are expensed as they are incurred and extinguished as they are paid.

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 6 EMPLOYEE EXPENSES - CONTINUED**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Wages and Salaries	94,674	93,616
Annual Leave Expense	6,123	7,869
Workers' Compensation Insurance Premium	3,034	2,387
Long Service Leave Expense	2,344	1,286
Payroll Tax	335	189
Other Employee Benefits and On-Costs	1,729	401
Superannuation to External Providers	9,786	9,132
Superannuation Contributions to the Territory Banking Account	6,141	6,230
Productivity Benefit	608	635
<b>Total Employee Expenses <sup>a</sup></b>	<b>124,774</b>	<b>121,745</b>

- a) The increase (\$3.0 million) is mainly due to higher salary rates and a one-off cost of living supplement payment under the proposed enterprise agreements.

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 7 SUPPLIES AND SERVICES**

**Description and Material Accounting Policies Relating to Supplies and Services**

***General - Supplies and Services***

Purchases of Supplies and Services generally represent the day-to-day running costs incurred in normal operations, recognised in the reporting period in which these expenses are incurred.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Contractors and Consultants <sup>a</sup>	70,055	60,142
Repairs and Maintenance <sup>b</sup>	69,748	67,405
Buildings and Facilities Operating Costs	20,603	19,925
Information Technology and Telecommunications <sup>c</sup>	15,109	13,706
Consumables	5,572	5,668
Lease Costs	5,008	4,376
Insurance	7,536	7,411
Finance, Human Resources and Procurement	3,720	3,389
Legal Costs	2,228	1,691
Communication, Printing and Publication	783	1,072
Other Human Resource Costs	1,454	1,181
Cost of Goods Sold <sup>d</sup>	2,760	1,048
Staff Development and Training	1,189	1,094
Audit Fees	406	367
Other Supplies and Services	2,198	1,880
<b>Total Supplies and Services</b>	<b>208,369</b>	<b>190,355</b>

- a) The increase (\$9.9 million) is a result of higher transporting and processing costs of recycling material (\$3.2 million) due to the need to process this interstate as a result of the fire at the Material Recover Facility in December 2022, higher household kerbside and green waste collection costs (\$3.9 million) mainly due to increases in indexation and fuel costs, and the ACT and Queanbeyan-Palerang Household Travel Survey 2022 (\$1.0 million) held to assist with local community planning of the roads, public transport and other facilities.
- b) The increase (\$2.3 million) is mainly due to higher repairs and maintenance works undertaken for roads, bridges, community paths, streetlights and storm events.
- c) The increase (\$1.4 million) is mainly due to an increase in DDTS's ICT charges.
- d) The increase (\$1.7 million) is due to the Yarralumla Nursery reviewing its inventory costing model. Some of these costs were previously captured in other supplies and services line items.

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 8 GRANTS AND PURCHASED SERVICES**

**Description and Material Accounting Policies relating to Grants and Purchased Services**

Payments to TCO are provided for the provision of public transport services.

	<b>2023</b> <b>\$'000</b>	<b>2022</b> <b>\$'000</b>
<b>Recurrent Grants</b>		
Grants to Community Organisations	1,436	1,290
<b>Total Recurrent Grants</b>	<u>1,436</u>	<u>1,290</u>
<b>Purchased Services</b>		
Payments to TCO <sup>a</sup>	204,767	201,085
Other	84	107
<b>Total Purchased Services</b>	<u>204,851</u>	<u>201,192</u>
<b>Total Grants and Purchased Services</b>	<u><u>206,287</u></u>	<u><u>202,482</u></u>

- a) The increase (\$3.7 million) is mainly due to additional funding paid to TCO in 2022-23 to offset the reduction in fare revenue.

**NOTE 9 EXPENSING OF CAPITAL WORKS IN PROGRESS**

**Description and Material Accounting Policies Relating to Expensing of Capital Works in Progress**

Expensing of Capital Works in Progress relates to the expensing of costs from capital projects that did not meet the asset recognition criteria under the Australian Accounting Standards. The Directorate expenses costs associated with studies, planning and design where there is no certainty of future project funding. Other activities typically expensed include demolition, utility works and landscaping.

Expensing of Capital Works in Progress <sup>a</sup>	19,757	51,345
<b>Total Expensing of Capital Works in Progress</b>	<u><u>19,757</u></u>	<u><u>51,345</u></u>

- a) The 2023 amount primarily includes expensing of studies, planning, designs and demolition for the following projects: Road Upgrades and Safety (\$7.5 million), Parking facilities upgrade (\$4.8 million), Active Travel (\$1.9 million), Stormwater upgrade (\$1.8 million), Better Infrastructure for Public Transport Network (\$1.1 million) and the remaining balance is related to capital infrastructure projects that are lower in value.

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 10    IMPAIRMENT LOSSES AND WRITE-OFFS**

**Description and Material Accounting Policies Relating to Impairment Losses and Write-Offs**

***Impairment Losses – Non-Financial Assets***

Impairment loss expenses are recognised for inventories when their carrying amount is higher than their recoverable amount, with the difference between the two being the amount of the impairment loss. Impairment losses for inventories are recognised as an expense in the Operating Statement.

***Impairment Losses and Write-Offs – Accounts Receivables***

A matrix is used to calculate the amount of lifetime expected credit loss which factors practical and justifiable forward-looking information, including forecast economic changes expected to impact the Directorate's receivables. This method is based on the possibility of default events occurring over the lifetime of the loans.

Waivers, impairment losses and write-offs are included in other expenses.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Impairment Losses from Receivables</b>		
Expected Credit Loss Expense	125	316
<b>Total Impairment Losses</b>	<b>125</b>	<b>316</b>
<b>Write-Offs</b>		
Irrecoverable Debts	18	40
Inventory Write-Downs and Stock Losses	71	52
<b>Total Write-Offs</b>	<b>89</b>	<b>92</b>
<b>Total Impairment Losses and Write-Offs</b>	<b>214</b>	<b>408</b>

# Transport Canberra and City Services Directorate

## Notes to and Forming Part of the Financial Statements

### For the Year Ended 30 June 2023

#### ASSETS NOTES

##### Material Accounting Policies - Assets

##### Assets – Current and Non-Current

Assets are classified as current where they are expected to be realised within 12 months after the reporting date. Assets which do not fall within the current classification are classified as non-current.

#### NOTE 11 CASH AND CASH EQUIVALENTS

##### Description and Material Accounting Policies Relating to Cash and Cash Equivalents

The Directorate holds a number of bank accounts with the Westpac Banking Corporation as part of the whole-of-government banking arrangements. As part of these arrangements, the Directorate does not receive any interest on these accounts, as all the accounts held are Set-Off Accounts except for the Inner North Reticulation Network bank account.

Cash includes cash at bank and cash on hand.

##### (a) Cash and Cash Equivalents

	2023 \$'000	2022 \$'000
Cash at Bank <sup>a</sup>	14,998	26,426
Cash on Hand	5	9
<b>Total Cash and Cash Equivalents</b>	<b>15,003</b>	<b>26,435</b>

a) The decrease (\$11.4 million) is mainly due to a decrease in Payables at year end.

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 11 CASH AND CASH EQUIVALENTS – CONTINUED**

	2023 \$'000	2022 \$'000
<b>(b) Reconciliation of Cash and Cash Equivalents at the End of the Reporting Period in the Statement of Cash Flows to the Equivalent Items in the Balance Sheet</b>		
Total Cash and Cash Equivalents Recorded in the Balance Sheet	15,003	26,435
<b>Cash and Cash Equivalents at the End of the Reporting Period as Recorded in the Statement of Cash Flows</b>	<b>15,003</b>	<b>26,435</b>
<b>(c) Reconciliation of Operating Result to Net Cash Inflows from Operating Activities</b>		
Operating Result	(195,290)	(214,268)
<b>Add/(Less) Non-Cash Items</b>		
Depreciation and Amortisation	214,155	198,578
Expensing of Capital Works in Progress	19,757	51,345
Write-off/Loss on Disposal of Assets	459	118
Assets Transferred to Other ACT Government Entities	2,529	3,605
Assets Transferred from Other ACT Government Entities and Private Developers	(25,437)	(32,089)
Nominal Interest on leased Motor Vehicles	474	390
<b>Other Non-Cash Items</b>		
Revaluation Losses on Intangible Assets	210	704
<b>Add/(Less) Items Classified as Investing or Financing</b>		
Net (Gain) on Disposal of Non-Current Assets	(491)	(929)
Capital Works in Progress Accrued	(8,646)	9,060
<b>Cash Before Changes in Operating Assets and Liabilities</b>	<b>7,720</b>	<b>16,514</b>
<b>Changes in Operating Assets and Liabilities</b>		
(Increase)/Decrease in Receivables	(592)	5,294
Decrease/(Increase) in Inventories	237	(78)
Decrease/(Increase) in Other Assets	802	(624)
(Decrease)/Increase in Payables	(5,235)	2,379
Increase in Employee Benefits	2,717	2,984
<b>Net Changes in Operating Assets and Liabilities</b>	<b>(2,071)</b>	<b>9,955</b>
<b>Net Cash Inflows from Operating Activities</b>	<b>5,649</b>	<b>26,469</b>

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 11 CASH AND CASH EQUIVALENTS – CONTINUED**

**(d) Reconciliation of liabilities arising from financing activities**

	<b>Lease Liabilities \$'000</b>
<b>2023</b>	
Carrying Amount at the Beginning of the Reporting Period	13,150
Cash Flow Changes:	
Cash Paid	(6,496)
Non-Cash Changes:	
New Leases	5,121
Other Movements	358
<b>Carrying Amount at the End of the Reporting Period</b>	<b><u>12,133</u></b>
<b>2022</b>	
Carrying Amount at the Beginning of the Reporting Period	13,090
Cash Flow Changes:	
Cash Paid	(6,890)
Non-Cash Changes:	
New Leases	6,560
Other Movements	390
<b>Carrying Amount at the End of the Reporting Period</b>	<b><u>13,150</u></b>

# **Transport Canberra and City Services Directorate**

## **Notes to and Forming Part of the Financial Statements**

### **For the Year Ended 30 June 2023**

#### **NOTE 12 RECEIVABLES**

##### **Description and Material Accounting Policies Relating to Receivables**

###### **Accounts Receivables**

Accounts Receivable (including trade and other receivables) are measured at amortised cost, with any adjustments to the carrying amount being recorded in the Operating Statement.

Accrued Revenue is revenue that is owed to the Directorate but has not been invoiced at the end of the reporting period.

###### **Impairment Loss – Accounts Receivables**

The expected credit loss represents the value of Trade Receivables the Directorate estimates will not be paid. The Directorate applied the simplified approach under AASB 9 '*Financial Instruments*', which uses a lifetime expected loss for all trade receivables.

The amount of the expected credit loss is recognised in the Operating Statement for Controlled Receivables and the Statement of Income and Expenses on behalf of the Territory for Territorial Receivables. When the Directorate ceases action to collect the debt as it considers that it will cost more to recover the debt than the debt is worth, impairment losses are written-off and receivables are reduced.

Receivables from other ACT Government Entities are expected to have low credit risks. Consequently, the ACT Government policy is that receivables collectable from other ACT Government Entities consolidated into the whole-of-government financial statements are not assessed for expected credit loss allowance.

###### **Significant Judgements and Estimates – Controlled Receivables**

The Directorate has made a significant estimate in the calculation of the expected credit loss allowance for Controlled Receivables in the Financial Statements. This significant estimate is based on grouping of receivables and the use of a provision matrix. The Directorate has determined there are four material groups for measuring expected credit losses based on the sale of goods and services. Furthermore, a provision matrix has been established based on its historical credit loss experience over the past four years and overdue balances at the end of the reporting period, adjusted for forward looking factors specific to its debtors and the economic environment.

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 12 RECEIVABLES – CONTINUED**

	2023 \$'000	2022 \$'000
<b>Current Receivables</b>		
Trade Receivables <sup>a</sup>	7,402	5,656
Less: Expected Credit Loss Allowance	(564)	(619)
	<b>6,838</b>	<b>5,037</b>
Other Receivables	2	29
Accrued Revenue	1,350	3,442
Net Goods and Services Tax Receivable	3,209	2,299
<b>Total Current Receivables</b>	<b>11,399</b>	<b>10,807</b>
<b>Total Receivables</b>	<b>11,399</b>	<b>10,807</b>

- a) The increase (\$1.7 million) is mainly due to the timing of infrastructure capital works invoices raised close to the end of the financial year.

**Expected Credit Loss Allowance**  
**Ageing of Receivables**

	Estimated total gross carrying amount at default \$'000	Accounts receivable expected credit loss allowance \$'000	Expected credit loss rate %
<b>30 June 2023</b>			
Not overdue	3,450	59	1.67%
1-30 Days Past Due	436	13	2.95%
31-60 Days Past Due	43	4	8.82%
61-90 Days Past Due	372	-	0.07%
>91 Days Past Due	3,069	488	13.71%
Total	7,370	564	
<b>30 June 2022</b>			
Not overdue	5,904	19	0.32%
1-30 Days Past Due	422	29	6.52%
31-60 Days Past Due	485	6	1.13%
61-90 Days Past Due	24	-	1.39%
>91 Days Past Due	1,230	565	31.47%
Total	8,065	619	

The table above does not include any expected credit losses for receivables collectible from other ACT Government Entities and Net Goods and Services Tax Receivable.

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 12 RECEIVABLES – CONTINUED**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Reconciliation of the Loss Allowance</b>		
<b>Accounts Receivable</b>		
Expected Credit Loss Allowance at the Beginning of the Reporting Period	(619)	(601)
Recognised During the Reporting Period	(125)	(316)
Reduction in Allowance from Amounts Recovered During the Reporting Period	161	145
Reduction in Allowance from Write-offs During the Reporting Period	19	153
<b>Expected Credit Loss Allowance at the End of the Reporting Period</b>	<b><u>(564)</u></b>	<b><u>(619)</u></b>

# Transport Canberra and City Services Directorate

## Notes to and Forming Part of the Financial Statements

### For the Year Ended 30 June 2023

#### NOTE 13 PROPERTY, PLANT AND EQUIPMENT

##### Description and Material Accounting Policies relating to Property, Plant and Equipment

The Directorate has the following six classes of Property, Plant and Equipment:

- **Land** is defined as the ground, including the soil covering and any associated surface waters. Land includes leasehold land held by the Directorate but excludes land under infrastructure, urban open spaces, nature reserves, and land associated with heritage and community buildings. It also includes land restoration assets which are valued by Directorate officers based on estimates of future remediation costs.
- **Buildings** are structures that have a roof and walls which stand permanently in one place. These structures are separately identifiable from the land they are constructed upon and as such do not include this land. Buildings include sporting facility pavilions, amenity blocks, bus interchanges, public toilets, sheds, warehouses, and office buildings.
- **Leasehold Improvements** are capital expenditure items incurred in relation to leased assets. Leasehold improvements represent fit-outs in leased buildings.
- **Plant and Equipment** are tangible assets, including park furniture, playgrounds, mobile plant, office and computer equipment, furniture and fittings, motor vehicles, and other mechanical and electronic equipment that are used by the Directorate to produce goods or assist in providing services to the community. Right-of-Use Plant and Equipment assets are included within the Plant and Equipment asset class. It has the same definition as Plant and Equipment, with the exception that they are held under a lease. Right-of-Use Plant and Equipment held by the Directorate includes motor vehicles and specialised Plant and Equipment.
- **Infrastructure Assets** are physical assets that typically have a long useful life and consist of a complex interconnected network of individual components, which enhance the productive capacity of the economy and support Government services. Buildings do not meet the definition of Infrastructure Assets unless they are an ancillary part of an infrastructure system. Infrastructure Assets held by the Directorate include stormwater assets, roads (including earthworks), bridges, community paths, community sporting facilities, streetlights, car parks, driveways, signs, bollards, traffic lights, fences, barriers and playgrounds not adjoining a building.
- **Heritage and Community Assets.** Heritage assets refer to assets that have unique cultural, historical, geographical, scientific, and/or environmental attributes and that the Government intends to preserve indefinitely because of those attributes. A common feature of heritage assets is that they cannot be replaced and they are not usually available for sale or for redeployment. Heritage assets held by the Directorate include artworks, historical buildings, memorials and the heritage library collection. Community Assets are those assets that are provided primarily for general community use or service. Community Assets held by the Directorate include public parks and gardens, public sporting reserves, library materials, shelters and land under roads.

# Transport Canberra and City Services Directorate

## Notes to and Forming Part of the Financial Statements

### For the Year Ended 30 June 2023

#### NOTE 13 PROPERTY, PLANT AND EQUIPMENT - CONTINUED

##### Acquisition and Recognition of Property, Plant and Equipment

Property, Plant and Equipment is initially recorded at cost.

Where Property, Plant and Equipment assets are acquired at no cost or minimal cost, cost is its fair value as at the date of acquisition. However, Property, Plant and Equipment assets acquired at no cost or minimal cost as part of a restructuring of administrative arrangements are measured at the transferor's book value.

Property, Plant and Equipment with a value of \$5,000 or greater, including groupings of like assets, are capitalised.

##### Measurement of Property, Plant and Equipment After Initial Recognition

Property, Plant and Equipment are valued using the cost or revaluation model of valuation. The Directorate measures Land, Buildings, Plant and Equipment, Infrastructure assets, Leasehold Improvements, and Heritage and Community assets at fair value.

After the commencement date, all Right-of-Use assets are measured at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of the lease liability. Right-of-Use assets are presented in Property, Plant and Equipment under the relevant asset class.

Assets at fair value are revalued every three years. Towards the end of each financial year the Directorate assesses whether there are any 'indicators' that the carrying amount of their Property, Plant and Equipment is materially different to fair value. Where these indicators exist, the asset will be revalued regardless of when the last valuation took place. Any accumulated depreciation relating to Buildings, Plant and Equipment, Infrastructure, Leasehold Improvements, and Heritage and Community assets at the date of revaluation is written back against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Any accumulated depreciation relating to Land Restoration assets is restated proportionally with the change in the gross carrying amount so that the net carrying amount of those assets after revaluation equals its revalued amount.

The asset revaluations undertaken in 2022-23 were:

Asset classes	Revaluations undertaken by
Land and Buildings	AON
Land Restoration	Internal officers of the Directorate
Plant and Equipment (Fitness Circuits, Mowers, Trailers, Vehicles and Other Plant and Equipment)	AON
Plant and Equipment (BBQ, Bins, Waste Wheelie Bins, Bollards, Booms, Buoys, Drinking Fountains, Seats and Tables)	Internal officers of the Directorate
Heritage and Community Assets (Land Under Roads)	Internal officers of the Directorate (based on ACT Revenue Office's land valuations)

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 13 PROPERTY, PLANT AND EQUIPMENT - CONTINUED**

**Measurement of Property, Plant and Equipment After Initial Recognition - Continued**

<b>Asset classes</b>	<b>Revaluations undertaken by</b>
Heritage and Community Assets (Library Materials, Beach, Land (Reserves), Water Features, Heritage Land and Buildings and Public Sporting Reserves)	AON
Infrastructure Assets (Barriers, Fences, Gates, Rockwalls, Signs, Retaining Walls and Traffic Calming Measures)	Internal officers of the Directorate

**Significant Judgements and Estimates**

- 1) **Assets received from other ACT Government Entities:** The Directorate has made a significant judgement regarding the fair value of assets received from other ACT Government Entities, such as the SLA. These assets are disclosed in Note 5 Grants and Contributions and mainly comprise completed Infrastructure Assets that have been transferred to the Directorate for management and maintenance. However, the formal acceptance of these assets, which typically involves verifying their physical existence against technical project documentation, can take over 12 months to complete. As a result of this delay, the inclusion of these assets in a revaluation process may be postponed. Therefore, the assets are valued and recorded in the financial statements for the intervening period based on advice from the transferring entities.

- 2) **Infrastructure Assets, Plant and Equipment, Leasehold Improvements, and Heritage and Community Assets:** The Directorate has made significant judgements and estimates in calculating depreciated replacement cost of Infrastructure Assets, Plant and Equipment, Leasehold Improvements, and Heritage and Community Assets. These assets are predominantly valued based on depreciated replacement cost by writing-down gross replacement values to take into account the age of assets.

When valuing assets using depreciated replacement cost, the Directorate estimates the cost of components based on a variety of external inputs, which include engineering advice, industry indexes and recent internal capital works projects and assumes all assets within each class are constructed in an identical manner.

The age of the assets is predominantly based on the age of the suburb in which they are located. Where available, asset age data relating to recent upgrades and replacements is also used to determine the current age of the assets.

- 3) **Land and Buildings:** The fair value of Land and Buildings are determined by a qualified independent valuer. Land is valued using market-based evidence by appraisal. Buildings are valued using the depreciated replacement cost method.

Land restoration is valued by Directorate officers based on estimates of future remediation costs.

The Directorate has made significant estimates in calculating provisions for restoration of waste landfill sites relating to the Mugga Lane Resource Management Centre Rehabilitation Project. The provisions are calculated by determining expected future cash flows associated with the restoration works. The expected completion date for the Mugga Lane restoration and remediation works is late 2024-25.

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 13 PROPERTY, PLANT AND EQUIPMENT - CONTINUED**

**Significant Judgements and Estimates – Continued**

In 2022, the obligation for the restoration of the West Belconnen Landfill including Parkwood Road Recycling Estate sites were transferred to the SLA to undertake the remainder of the remediation works.

- 4) **Land Under Roads:** The Directorate has made a significant judgement in determining the fair value of Land Under Roads (Heritage and Community Assets). The Valuer-General has issued a guidance note on the valuation method applicable for Land Under Roads. This guidance states that 'Statutory Land Value' is the most feasible and efficient base for valuing Land Under Roads.

In applying this Statutory Land Value Method, the fair value for Land Under Roads is measured on an unimproved rateable land valuation basis. This method involves estimating a value per square metre of land by dividing the total unimproved value of rateable land in the Territory by the total area of the Territory.

- 5) **Useful lives of Property Plant and Equipment:** The Directorate has made a significant estimate in determining the useful lives of Property, Plant and Equipment. The estimate has been based on the historical experience of similar assets and in some cases has been based on valuations provided by the qualified independent valuer or estimates from Directorate officers. The useful lives of major assets are reviewed on an annual basis and any adjustments are made when considered necessary.
- 6) **Impairment of Assets:** The Directorate assesses at each reporting date, whether there is any indication that an asset may be impaired. Assets are also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Assets are assessed for impairment based on a number of factors, including obsolescence, future continuing use and physical damage, as determined by management's assessment.

Any resulting impairment losses for Plant and Equipment, Land, Buildings, Leasehold Improvements, Infrastructure Assets, Heritage and Community Assets are recognised as a decrease in the available Asset Revaluation Surplus relating to these classes of assets. This is because these asset classes are measured at fair value and have an Asset Revaluation Surplus attached to them. Where the impairment loss is greater than the balance in the Asset Revaluation Surplus for the relevant class of asset, the difference is expensed in the Operating Statement.

Impairment losses for Intangible Assets are recognised in the Operating Statement, as these assets are carried at cost. The carrying amount of the asset is reduced to its recoverable amount.

Non-financial assets that have previously been impaired are reviewed for possible reversal of impairment at each reporting date. A reversal of an impairment loss is recognised in Other Comprehensive Income and increases the Asset Revaluation Surplus for the relevant class of asset.

# Transport Canberra and City Services Directorate

## Notes to and Forming Part of the Financial Statements

### For the Year Ended 30 June 2023

#### NOTE 13 PROPERTY, PLANT AND EQUIPMENT - CONTINUED

##### Depreciation and Useful Life

Depreciation is the systematic allocation of the cost of an asset less its residual value over its useful life.

Depreciation is applied to physical assets such as Buildings, Infrastructure Assets, and Plant and Equipment including right-of-use assets.

Amortisation is used in relation to Intangible Assets such as computer software. Computer software is amortised on a straight-line basis over its useful life, over a period not exceeding 10 years.

Land, road earthworks (which are a component of roads assets included within the Infrastructure Asset class) and some Heritage and Community Assets have an unlimited useful life and are therefore not depreciated.

Leasehold improvements and Plant and Equipment under lease are depreciated over the estimated useful life of each asset, or the unexpired period of the relevant lease, whichever is shorter.

The useful lives of all major assets held by the Directorate are reassessed on an annual basis.

All depreciation is calculated after first deducting any residual values which remain for each asset.

The useful lives applied for the depreciation and amortisation of non-current assets are:

<b>Class of Asset</b>	<b>Depreciation/Amortisation Method</b>	<b>Useful Life (Years)</b>
Land Restoration (waste landfill sites)	Straight-line	6-44
Buildings	Straight-line	7-50
Leasehold Improvements	Straight-line	1-40
Plant and Equipment	Straight-line	3-126
Infrastructure Assets	Straight-line	5-141
Heritage and Community Assets	Straight-line	1-100
Intangible Assets	Straight-line	1-5

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 13 PROPERTY, PLANT AND EQUIPMENT - CONTINUED**

	2023 \$'000	2022 \$'000
<b>LAND</b>		
Land at Fair Value	68,341	46,955
Land Restoration at Fair Value (Waste Landfill Sites)	39,240	39,240
Less Accumulated Depreciation - Land Restoration (Waste Landfill Sites)	(37,796)	(37,589)
<b>TOTAL LAND <sup>a</sup></b>	<b>69,785</b>	<b>48,606</b>
<b>BUILDINGS</b>		
Buildings at Fair Value	107,352	95,587
Less: Accumulated Depreciation	(227)	(7,017)
Less: Accumulated Impairment Losses	(1,775)	(73)
<b>TOTAL BUILDINGS <sup>b</sup></b>	<b>105,350</b>	<b>88,497</b>
<b>LEASEHOLD IMPROVEMENTS</b>		
Leasehold Improvements at Fair Value	6,047	6,384
Less: Accumulated Depreciation	(1,683)	(739)
<b>TOTAL LEASEHOLD IMPROVEMENTS</b>	<b>4,364</b>	<b>5,645</b>
<b>PLANT AND EQUIPMENT</b>		
Plant and Equipment at Fair Value	68,036	95,771
Less: Accumulated Depreciation	(3,322)	(19,104)
Less: Accumulated Impairment Losses	(90)	(79)
<b>TOTAL PLANT AND EQUIPMENT <sup>c</sup></b>	<b>64,624</b>	<b>76,588</b>
<b>RIGHT-OF-USE PLANT AND EQUIPMENT</b>		
Right-of-Use Plant and Equipment at Cost	31,897	28,732
Less: Accumulated Depreciation	(20,739)	(16,599)
<b>TOTAL RIGHT-OF-USE PLANT AND EQUIPMENT</b>	<b>11,158</b>	<b>12,133</b>

- a) The increase (\$21.2 million) is primarily due to the revaluation increment. For more information, refer to Note 20 – Equity.
- b) The increase (\$16.9 million) is primarily due to the revaluation increment. For more information, refer to Note 20 – Equity.
- c) The decrease (\$12.0 million) is primarily due to Healthy Waterway assets that were transferred to the “Other Infrastructure Assets” sub class.

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 13 PROPERTY, PLANT AND EQUIPMENT – CONTINUED**

	2023 \$'000	2022 \$'000
<b>INFRASTRUCTURE ASSETS</b>		
<b>Roads</b>		
Roads at Fair Value	2,193,803	2,167,831
Less: Accumulated Depreciation	(93,856)	(46,962)
<b>Total Roads</b>	<b>2,099,947</b>	<b>2,120,869</b>
<b>Bridges</b>		
Bridges at Fair Value	1,087,088	1,087,313
Less: Accumulated Depreciation	(31,963)	(15,975)
<b>Total Bridges</b>	<b>1,055,125</b>	<b>1,071,338</b>
<b>Stormwater Assets</b>		
Stormwater Assets at Fair Value	3,751,570	3,709,875
Less: Accumulated Depreciation	(62,369)	-
<b>Total Stormwater Assets</b>	<b>3,689,201</b>	<b>3,709,875</b>
<b>Cycle Paths and Footpaths</b>		
Cycle Paths and Footpaths at Fair Value	192,208	173,335
Less: Accumulated Depreciation	(10,306)	(143)
<b>Total Cycle Paths and Footpaths</b>	<b>181,902</b>	<b>173,192</b>
<b>Other Infrastructure Assets</b>		
Other Infrastructure Assets at Fair Value <sup>d</sup>	915,556	881,380
Less: Accumulated Depreciation	(66,537)	(22,623)
Less: Accumulated Impairment Losses	(5,285)	(5,428)
<b>Total Other Infrastructure Assets</b>	<b>843,734</b>	<b>853,329</b>
<b>TOTAL INFRASTRUCTURE ASSETS</b>	<b>7,869,909</b>	<b>7,928,603</b>

- d) The increase (\$34.2 million) is primarily due to the revaluation increment and Healthy Waterway assets transferred in. For more information, refer to Note 20 – Equity.

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 13 PROPERTY, PLANT AND EQUIPMENT – CONTINUED**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>HERITAGE AND COMMUNITY ASSETS</b>		
<b>Heritage and Community Assets</b>		
Land Under Roads at Fair Value	2,543,478	2,528,331
Land (Heritage and Community) at Fair Value	990,434	954,733
<b>Total Heritage and Community Assets</b>	<b>3,533,912</b>	<b>3,483,064</b>
<b>Library Materials</b>		
Library Materials at Fair Value	3,409	2,946
Less: Accumulated Depreciation	(24)	(4)
<b>Total Library Materials</b>	<b>3,385</b>	<b>2,942</b>
<b>Other Heritage and Community Assets</b>		
Other Heritage and Community Assets at Fair Value	44,212	40,486
Less: Accumulated Depreciation	(352)	(834)
<b>Total Other Heritage and Community Assets</b>	<b>43,860</b>	<b>39,652</b>
<b>TOTAL HERITAGE AND COMMUNITY ASSETS <sup>e</sup></b>	<b>3,581,157</b>	<b>3,525,658</b>
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<b>11,706,347</b>	<b>11,685,730</b>

- e) The increase (\$55.5 million) is mainly due to the revaluation increment. For more information, refer Note 20 – Equity.

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 13 PROPERTY, PLANT AND EQUIPMENT – CONTINUED**

**Reconciliation of Property, Plant and Equipment – 2022-23**

	Land	Buildings	Leasehold	Plant and	Infrastructure	Heritage and	Total
	\$'000	\$'000	Improvements	Equipment	Assets	Community	\$'000
			\$'000	\$'000	\$'000	Assets	\$'000
<b>Carrying Amount at the Beginning of the Reporting Period</b>	48,606	88,497	5,645	88,721	7,928,603	3,525,658	11,685,730
Additions	-	3,011	129	10,192	19,511	2,655	35,498
Completed and Transferred from Capital Works in Progress	-	206	-	3,517	48,556	641	52,920
Revaluation Increment Recognised in Other Comprehensive Income	22,089	15,351	-	5,756	29,244	55,916	128,356
Assets Reclassification	-	-	-	(16,393)	17,233	(840)	-
Depreciation <sup>a</sup>	(826)	(3,426)	(945)	(15,324)	(191,233)	(2,089)	(213,843)
Assets Transferred to other Directorates	(84)	(1,713)	-	(281)	(214)	(751)	(3,043)
Asset Transferred from MPC	-	5,143	-	-	18,223	-	23,366
(Impairment Losses)/Reversal of Impairment Losses Recognised in the Operating Result	-	(1,700)	-	(12)	12	-	(1,700)
Other Movements	-	(19)	(465)	(394)	(26)	(33)	(937)
<b>Carrying Amount at the End of the Reporting Period</b>	<b>69,785</b>	<b>105,350</b>	<b>4,364</b>	<b>75,782</b>	<b>7,869,909</b>	<b>3,581,157</b>	<b>11,706,347</b>

a) Total Depreciation and Amortization is \$214,155 million, of which \$213,843 million related to Property, Plant and Equipment and \$0.312 million related to Intangible Assets.

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 13 PROPERTY, PLANT AND EQUIPMENT – CONTINUED**

**Reconciliation of Property, Plant and Equipment – 2021-22**

	Land	Buildings	Leasehold	Plant and	Infrastructure	Heritage and	Total
	\$'000	\$'000	Improvements	Equipment	Assets	Community	\$'000
			\$'000	\$'000	\$'000	Assets	\$'000
<b>Carrying Amount at the Beginning of the Reporting Period</b>	49,762	87,311	3,393	62,552	7,247,064	2,816,980	10,267,062
Additions	-	779	419	12,075	28,288	-	41,561
Completed and Transferred from Capital Works in Progress	-	4,039	2,572	3,868	111,815	4,400	126,694
Revaluation Increment Recognised in Other Comprehensive Income	-	-	-	7,394	736,651	706,698	1,450,743
Depreciation	(1,156)	(3,601)	(739)	(15,564)	(174,944)	(2,094)	(198,098)
Impairment Losses Recognised in the Operating Result	-	(31)	-	(64)	(904)	-	(999)
Other Movements	-	-	-	18,460	(19,367)	(326)	(1,233)
<b>Carrying Amount at the End of the Reporting Period</b>	<b>48,606</b>	<b>88,497</b>	<b>5,645</b>	<b>88,721</b>	<b>7,928,603</b>	<b>3,525,658</b>	<b>11,685,730</b>

# Transport Canberra and City Services Directorate

## Notes to and Forming Part of the Financial Statements

### For the Year Ended 30 June 2023

#### NOTE 13 PROPERTY, PLANT AND EQUIPMENT – CONTINUED

##### Fair Value Hierarchy

The Fair Value Hierarchy below reflects the significance of the inputs used in determining fair value. The Fair Value Hierarchy is made up of the following three levels:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets that the Directorate can access at the measurement date;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for assets, either directly or indirectly; and
- Level 3 – inputs that are unobservable for particular assets or liabilities.

Details of the Directorate's Property, Plant and Equipment at Fair Value and information about the Fair Value Hierarchy at 30 June 2023 and 30 June 2022 are as follows:

	<b>Classification According to the Fair Value Hierarchy</b>		
	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>2023</b>			
<b>Property, Plant and Equipment at Fair Value</b>			
Land	68,341	1,444	69,785
Buildings	-	105,350	105,350
Leasehold Improvements	-	4,364	4,364
Plant and Equipment	464	64,160	64,624
Infrastructure Assets	-	7,869,909	7,869,909
Heritage and Community Assets	826,979	2,754,178	3,581,157
<b>Total Fair Value</b>	<b>895,784</b>	<b>10,799,405</b>	<b>11,695,189</b>
<b>2022</b>			
<b>Property, Plant and Equipment at Fair Value</b>			
Land	46,955	1,651	48,606
Buildings	-	88,497	88,497
Leasehold Improvements	-	5,645	5,645
Plant and Equipment	415	76,173	76,588
Infrastructure Assets	-	7,928,603	7,928,603
Heritage and Community Assets	791,278	2,734,380	3,525,658
<b>Total Fair Value</b>	<b>838,648</b>	<b>10,834,949</b>	<b>11,673,597</b>

There have been no transfers between Levels 2 and 3 during the current and previous reporting period.

**Transport Canberra and City Services Directorate  
Notes to and Forming Part of the Financial Statements  
For the Year Ended 30 June 2023**

**NOTE 13 PROPERTY, PLANT AND EQUIPMENT – CONTINUED**

**Valuation Techniques, Inputs and Processes**

***Level 2 Valuation Techniques and Inputs***

Valuation Technique: The valuation technique used to value Land, owned Motor Vehicles and Heritage and Community Land is the market approach that reflects recent transaction prices for similar assets (comparable in location, size and type).

Inputs: Prices and other relevant information generated by market transactions involving comparable land and motor vehicles respectively were considered. In relation to Land, regard was taken of the Crown Lease terms and tenure, the Australian Capital Territory Plan and the National Capital Plan, where applicable, as well as current zoning. In relation to owned motor vehicles, the assessment of fair value uses published recommended selling prices for vehicles of a similar age, condition and model.

***Level 3 Valuation Techniques and Significant Unobservable Inputs***

Land

Valuation Technique: Land where there is no active market or significant restrictions is valued through the cost approach.

Land Restoration assets are valued using the depreciated replacement cost method based on an assessment of future remediation estimates.

Significant Unobservable Inputs: In determining the value of Land Restoration assets an estimate as to the future remediation costs at the landfill sites was made by Directorate officers. An estimate as to time remaining until these works will be complete was also made.

Other Property, Plant and Equipment

Valuation Technique: Buildings, Leasehold Improvements, Infrastructure Assets, Plant and Equipment assets, and Heritage and Community Assets were considered specialised assets by the Valuer and Directorate officers and were measured using the cost approach.

Significant Unobservable Inputs: Estimating the cost to a market participant to construct assets of comparable utility adjusted for obsolescence. For Buildings, historical cost per square metre of floor area was used in measuring fair value. For Infrastructure Assets the historical cost per cubic/square metre was also used in measuring fair value. In determining the value of Buildings, Leasehold Improvements, Plant and Equipment, Infrastructure Assets, and Heritage and Community Assets regard was given to the age and condition of the assets, their estimated replacement cost and current use. This required the use of data internal to the Directorate. In determining the value of Urban Open Space land estimates relating to canopy sizes, average age and cost of trees were also used.

There has been no change to the above valuation techniques during the year.

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 13 PROPERTY, PLANT AND EQUIPMENT – CONTINUED**

**Fair Value Measurements using Significant Unobservable Inputs (Level 3)**

	Land \$'000	Buildings \$'000	Leasehold Improvements \$'000	Plant and Equipment \$'000	Infrastructure Assets \$'000	Heritage and Community Assets \$'000	Total \$'000
<b>2023</b>							
<b>Fair Value at the Beginning of the Reporting Period</b>	1,651	88,497	5,645	76,173	7,928,603	2,734,380	10,834,949
Additions	-	3,011	129	5,071	19,511	2,655	30,377
Completed and Transferred from Capital Works in Progress	-	206	-	3,517	48,556	641	52,920
Revaluation Increment Recognised in Other Comprehensive Income	619	15,351	-	5,653	29,244	19,464	70,331
Depreciation	(826)	(3,426)	(945)	(9,372)	(191,233)	(2,089)	(207,891)
Assets Reclassification	-	-	-	(16,393)	17,233	(840)	-
Assets Transferred from MPC	-	5,143	-	-	18,223	-	23,366
(Impairment Losses)/Reversal of Impairment Losses Recognised in the Equity	-	(1,700)	-	(12)	12	-	(1,700)
Assets Transferred to other Directorates	-	(1,713)	-	(281)	(214)	-	(2,208)
Other Movements	-	(19)	(465)	(196)	(26)	(33)	(739)
<b>Fair Value at the End of the Reporting Period</b>	<b>1,444</b>	<b>105,350</b>	<b>4,364</b>	<b>64,160</b>	<b>7,869,909</b>	<b>2,754,178</b>	<b>10,799,405</b>

Total Gains for the Period included in 'Grants and Contributions Revenue'

23,605

-

24,057

Total Losses for the Period included in 'Other Expenses'

-

-

-

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 13 PROPERTY, PLANT AND EQUIPMENT – CONTINUED**

**Fair Value Measurements using Significant Unobservable Inputs (Level 3)**

	Land \$'000	Buildings \$'000	Leasehold Improvements \$'000	Plant and Equipment \$'000	Infrastructure Assets \$'000	Heritage and Community Assets \$'000	Total \$'000
<b>2022</b>							
<b>Fair Value at the Beginning of the Reporting Period</b>	2,807	87,311	3,393	50,072	7,247,064	2,050,739	9,441,386
Additions	-	779	419	5,485	28,288	-	34,971
Completed and Transferred from Capital Works in Progress	-	4,039	2,572	3,868	111,815	4,400	126,694
Revaluation Increment Recognised in Other Comprehensive Income	-	-	-	7,394	736,651	681,661	1,425,706
Depreciation	(1,156)	(3,601)	(739)	(9,017)	(174,944)	(2,094)	(191,551)
Impairment Losses Recognised in the Operating Result	-	(31)	-	(64)	(904)	-	(999)
Other Movements	-	-	-	18,435	(19,367)	(326)	(1,258)
<b>Fair Value at the End of the Reporting Period</b>	<b>1,651</b>	<b>88,497</b>	<b>5,645</b>	<b>76,173</b>	<b>7,928,603</b>	<b>2,734,380</b>	<b>10,834,949</b>

Total Gains for the Period included in 'Grants and Contributions Revenue'

29,897

Total Losses for the Period included in 'Other Expenses'

(116)

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 14 CAPITAL WORKS IN PROGRESS**

**Description and Material Accounting Policies Relating to Capital Works in Progress**

The Directorate receives significant funding to undertake capital infrastructure projects across the Territory. Capital Works in Progress mainly relate to duplication of major roads, roadworks at intersections, a new bus depot, bus interchange and other infrastructure works. Capital Works in Progress are recognised at the time the construction activity occurs. These assets are measured at the cost of constructing the asset. The cost includes direct construction costs (e.g. direct materials and direct labour), and 'directly attributable' costs in bringing the asset to a location and condition ready for use, as well as the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Infrastructure <sup>a</sup>	131,720	95,383
Buildings <sup>b</sup>	8,830	343
Software <sup>c</sup>	6,798	5,178
Plant and Equipment <sup>d</sup>	1,239	81
Heritage and Community	1,299	1,032
<b>Total Capital Works in Progress</b>	<b>149,886</b>	<b>102,017</b>

- a) The increase (\$36.3 million) is mainly due to the increase of various road related infrastructure works including Gundaroo Drive duplication, stormwater upgrades around Sydney and Melbourne buildings, and several road safety related upgrade and maintenance projects.
- b) The increase (\$8.5 million) is mainly due to works undertaken at the new Woden bus depot.
- c) The increase (\$1.6 million) is mainly related to developing a customer relationship management platform.
- d) The increase (\$1.2 million) is mainly due to enhancement to playgrounds and library collections.

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 14 CAPITAL WORKS IN PROGRESS – CONTINUED**

**Reconciliation of Capital Works in Progress – 2022-23**

	Heritage and Community \$'000	Plant and Equipment \$'000	Infrastructure \$'000	Buildings \$'000	Software \$'000	Total \$'000
<b>Carrying Amount at the Beginning of the Reporting Period</b>	1,032	81	95,383	343	5,178	102,017
Additions						
Completed and Transferred to Property, Plant and Equipment/Intangible Assets	1,636 (641)	4,696 (3,517)	125,091 (48,556)	8,782 (206)	5,244 (3,128)	145,449 (56,048)
Completed and Expensed	(728)	(48)	(18,431)	(54)	(496)	(19,757)
Completed and Transferred to Provision for Restoration of Waste Landfill Sites at Mugga Lane and West Belconnen	-	-	(19,924)	-	-	(19,924)
Assets Transferred to TCO	-	-	-	(35)	-	(35)
Other Movements	-	27	(1,843)	-	-	(1,816)
<b>Carrying Amount at the End of the Reporting Period</b>	<b>1,299</b>	<b>1,239</b>	<b>131,720</b>	<b>8,830</b>	<b>6,798</b>	<b>149,886</b>

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 14 CAPITAL WORKS IN PROGRESS – CONTINUED**

**Reconciliation of Capital Works in Progress – 2021-22**

	Heritage and Community \$'000	Plant and Equipment \$'000	Infrastructure \$'000	Buildings \$'000	Leasehold Improvements \$'000	Software \$'000	Total \$'000
<b>Carrying Amount at the Beginning of the Reporting Period</b>	4,285	1,434	153,882	9,004	2,408	6,120	177,133
Additions	2,272	3,183	97,967	2,782	605	765	107,574
Completed and Transferred to Property, Plant and Equipment	(4,400)	(3,868)	(111,815)	(4,039)	(2,572)	-	(126,694)
Completed and Transferred to Intangible Assets	-	-	-	-	-	(301)	(301)
Completed and Expensed	(1,125)	(641)	(40,454)	(7,374)	(335)	(1,406)	(51,335)
Completed and Transferred to Provision for Restoration of Waste Landfill Sites at Mugga Lane and West Belconnen	-	-	(810)	-	-	-	(810)
Assets Transferred to TCO	-	-	-	-	(105)	-	(105)
Assets Transferred to Icon Water	-	-	(3,387)	-	-	-	(3,387)
Other Movements	-	(27)	-	(30)	(1)	-	(58)
<b>Carrying Amount at the End of the Reporting Period</b>	<b>1,032</b>	<b>81</b>	<b>95,383</b>	<b>343</b>	<b>-</b>	<b>5,178</b>	<b>102,017</b>

# Transport Canberra and City Services Directorate

## Notes to and Forming Part of the Financial Statements

### For the Year Ended 30 June 2023

## LIABILITY NOTES

### Material Accounting Policies – Liability

#### Liabilities – Current and Non-Current

Liabilities are classified as current when they are due to be settled within 12 months after the reporting date or the Directorate does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Liabilities, which do not fall within the current classification, are classified as non-current.

## NOTE 15 PAYABLES

### Description and Material Accounting Policies Relating to Payables

#### Payables

Payables are initially recognised at fair value based on the transaction cost and subsequently at amortised cost, with any adjustments to the carrying amount being recorded in the Operating Statement. All amounts are normally settled within 14 days of the invoice date or the receipt of goods and services, or within agreed payment terms.

#### Contract Liabilities

A contract liability is recorded when an amount of consideration is received from customers prior to the Directorate meeting its performance obligations for providing goods or services under contract with customers. Revenue is recognised when goods and services are provided to the customer or the acquisition or construction occurs, using a progressive percentage of costs incurred because this most closely reflects the progress to completion.

	2023 \$'000	2022 \$'000
<b>Current Payables</b>		
Accrued Expenses	12,597	19,093
Trade Payables	15,464	11,135
Other Payables	252	480
Amounts received Related to Contracts with Customers for Goods and Services Where the Performance Obligations have not yet been Satisfied	3,345	6,185
<b>Total Payables <sup>a</sup></b>	<b>31,658</b>	<b>36,893</b>
<b>Split of Payables and Contract Liabilities</b>		
Current Payables (without Contract Liabilities)	28,313	30,708
Amounts received Related to Contracts with Customers for Goods and Services Where the Performance Obligations have not yet been Satisfied	3,345	6,185
<b>Total Payables</b>	<b>31,658</b>	<b>36,893</b>

- a) The decrease (\$5.2 million) is mainly due to the large volume of invoices processed toward the end of the financial year and the reduction of contract liabilities resulting from performance obligations being satisfied during the year.

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 15 PAYABLES – CONTINUED**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Payables are aged as follows:</b>		
Not Overdue	26,675	36,770
Overdue for Less than 30 Days	3,383	39
Overdue for 30 to 60 Days	1,371	9
Overdue for More than 60 Days	229	75
<b>Total Payables</b>	<b>31,658</b>	<b>36,893</b>

**NOTE 16 LEASE LIABILITIES**

**Description and Material Accounting Policies Relating to Lease Liabilities**

Lease Liabilities are recorded in accordance with AASB 16 'Leases'. At the lease commencement date, the Directorate recognises a Right-of-Use asset and associated Lease Liability for the lease term. The lease term includes extension periods where the Directorate is reasonably certain that the option will be exercised.

The Right-of-Use asset is initially measured using the cost model where cost on initial recognition comprises of the Lease Liability, initial direct costs, and estimated cost of removal and restoration less any lease incentives received. After the commencement date, the Right-of-Use assets are measured at cost under the relevant class of asset.

The Right-of-Use asset is depreciated over the lease term on a straight-line basis and assessed for impairment annually.

The Lease Liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease or the incremental borrowing rate published by ACT Treasury when rates cannot be readily determined. Lease Liabilities are subsequently measured at amortised cost using the effective interest rate method.

The Directorate's leases largely relate to motor vehicles and a linen folding machine.

**Exemptions to Lease Accounting**

The Directorate has elected to apply the exemptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets (below \$10,000). The Directorate has also elected not to separate non-lease components, except for those leases where the information is readily available.

Where the non-lease components have been separated, they are recognised as an expense as incurred in the Operating Statement.

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 16 LEASE LIABILITIES – CONTINUED**

	2023 \$'000	2022 \$'000
<b>Current Lease Liabilities</b>		
Lease Liabilities	5,273	5,373
<b>Total Current Lease Liabilities</b>	<b>5,273</b>	<b>5,373</b>
<b>Non-Current Lease Liabilities</b>		
Lease Liabilities	6,860	7,777
<b>Total Non-Current Lease Liabilities</b>	<b>6,860</b>	<b>7,777</b>
<b>Total Lease Liabilities</b>	<b>12,133</b>	<b>13,150</b>
<b>Leases</b>		
Commitments are payable as follows:		
Within one year	5,717	5,724
Later than one year but not later than five years	7,324	8,011
Later than five years	-	115
<b>Minimum Lease Payments</b>	<b>13,041</b>	<b>13,850</b>
Less: Future Lease Charges	(908)	(700)
<b>Amount Recognised as a Liability</b>	<b>12,133</b>	<b>13,150</b>
<b>Total Present Value of Minimum Lease Payments</b>	<b>12,133</b>	<b>13,150</b>
The Present Value of Minimum Lease Payments are as follows:		
Within one year	5,273	5,373
Later than one year but not later than five years	6,860	7,664
Later than five years	-	113
<b>Total Present Value of Minimum Lease Payments</b>	<b>12,133</b>	<b>13,150</b>

# **Transport Canberra and City Services Directorate**

## **Notes to and Forming Part of the Financial Statements**

### **For the Year Ended 30 June 2023**

#### **NOTE 17 EMPLOYEE BENEFITS**

##### **Description and Material Accounting Policies Relating to Employee Benefits**

###### **Accrued Wages and Salaries**

Accrued wages and salaries are measured at the amount that remains unpaid to employees at the end of the reporting period.

###### **Annual and Long Service Leave**

Annual and Long Service Leave, including applicable on-costs that are not expected to be wholly settled before 12 months after the end of the reporting period when the employees render the related service, are measured at the present value of estimated future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to future wage and salary levels, experience of employee departures and periods of service. At the end of each reporting period, the present value of future annual leave and long service leave payments is estimated using market yields on Commonwealth Government bonds with terms to maturity that match, as closely as possible, the estimated future cash flows.

Annual Leave liabilities have been estimated on the assumption they will be wholly settled within three years. The rate used at 30 June 2023 to estimate the present value of future Annual Leave payments is 98.2% (101.8% at 30 June 2022).

The Long Service Leave liability is estimated with reference to the minimum period of qualifying service. For employees with less than the required minimum period of seven years of qualifying service, the probability that employees will reach the required minimum period has been taken into account in estimating the provision for Long Service Leave and applicable on-costs.

The rate used at 30 June 2023 to estimate the present value of future payments for Long Service Leave is 93.0% (95.3% at 30 June 2022).

The Provision for Annual Leave and Long Service Leave includes estimated on-costs. As these on-costs only become payable if the employee takes annual and long service leave while in service, the probability that employees will take annual and long service leave while in service has been taken into account in estimating the liability for on-costs.

Annual Leave and Long Service Leave liabilities are classified as Current Liabilities in the Balance Sheet where there are no unconditional rights to defer the settlement of the liability for at least 12 months. Otherwise they are classified as non-current because the Directorate has an unconditional right to defer the settlement of the liability until the employee has completed the required service.

###### **Significant Judgements and Estimates**

Significant judgements have been applied in estimating the liability for employee benefits. The estimated liability for Annual and Long Service Leave requires a consideration of the future wage and salary levels, experience of employee departures, probability that leave will be taken in service and periods of service.

The estimate also includes an assessment of the probability that employees will meet the minimum service period required to qualify for Long Service Leave and that on-costs will become payable.

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 17 EMPLOYEE BENEFITS – CONTINUED**

**Significant Judgements and Estimates - Continued**

The Directorate uses the Whole-of-Government present value, probability and on-cost factors. These factors are issued by ACT Treasury and apply to all ACT Government Entities. ACT Treasury organises an actuarial review to be undertaken every three years by the Australian Government Actuary to estimate each of these factors. The latest assessment was undertaken in December 2021, with the next review expected to be undertaken by late 2024.

**Superannuation Liability Recognition**

For employees who are members of the defined benefit CSS or PSS, the employer superannuation liabilities for superannuation benefits payable upon retirement are recognised in the Financial Statements of the Superannuation Provision Account.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current Employee Benefits</b>		
Long Service Leave	19,380	18,669
Annual Leave	12,964	14,108
Accrued Wages and Salaries	3,986	2,409
Other Benefits	3,387	1,776
<b>Total Current Employee Benefits</b>	<b>39,717</b>	<b>36,962</b>
<b>Non-Current Employee Benefits</b>		
Long Service Leave	2,022	2,059
<b>Total Non-Current Employee Benefits</b>	<b>2,022</b>	<b>2,059</b>
<b>Total Employee Benefits <sup>a</sup></b>	<b>41,739</b>	<b>39,021</b>
<b>Estimate of when Leave is Payable</b>		
<b>Estimated Amount Payable within 12 Months</b>		
Annual Leave	7,102	5,995
Accrued Wages and Salaries	3,986	2,409
Long Service Leave	1,546	1,498
Other Benefits	3,387	1,776
<b>Total Employee Benefits Payable within 12 Months</b>	<b>16,021</b>	<b>11,678</b>
<b>Estimated Amount Payable later than 12 Months</b>		
Long Service Leave	19,856	19,230
Annual Leave	5,862	8,113
<b>Total Employee Benefits Payable later than 12 Months</b>	<b>25,718</b>	<b>27,343</b>
<b>Total Employee Benefits</b>	<b>41,739</b>	<b>39,021</b>

At 30 June 2023, 1,077 full-time equivalent (FTE) staff were employed (1,035 FTE at 30 June 2022).

# Transport Canberra and City Services Directorate

## Notes to and Forming Part of the Financial Statements

### For the Year Ended 30 June 2023

#### NOTE 17 EMPLOYEE BENEFITS – CONTINUED

- a) The increase (\$2.7 million) is mainly due to salary increases and a one-off cost of living supplement payment under the proposed enterprise agreements; partially offset by a decrease in annual leave liabilities as a result of a reduction in the rate used to estimate the present value of the liabilities from 101.1% to 98.2% and higher amount of leave taken during the financial year.

#### NOTE 18 OTHER PROVISIONS

##### Description and Material Accounting Policies Relating to Other Provisions

##### Provision for Restoration of Contaminated Site

Restoration of contaminated site is the process of covering landfill sites once they have reached their maximum capacity and transforming them into usable land.

This provision has been measured based on the Directorate's best estimate of the cost to remediate the site. Given that this will take place over a two-year period, the present value of this cost estimate has been used as the initial value of the provision.

	2023 \$'000	2022 \$'000
<b>Current Other Provisions</b>		
Provision for Restoration of Waste Landfill Sites - Mugga Lane and West Belconnen (including Parkwood Road Recycling Estate)	500	11,150
<b>Total Current Other Provisions</b>	<b>500</b>	<b>11,150</b>
<b>Non-Current Other Provisions</b>		
Provision for Restoration of Waste Landfill Sites - Mugga Lane and West Belconnen (including Parkwood Road Recycling Estate)	6,177	15,611
<b>Total Non-Current Other Provision</b>	<b>6,177</b>	<b>15,611</b>
<b>Total Other Provisions <sup>a</sup></b>	<b>6,677</b>	<b>26,761</b>
<b>Reconciliation of the Provision for Restoration of Waste Landfill Sites - Mugga Lane and West Belconnen (including Parkwood Road Recycling Estate)</b>		
Provision for Restoration of Waste Landfill Sites at the Beginning of the Reporting Period	26,761	27,571
Reduction in Provision from Site-Works Undertaken\Obligation transferred to SLA	(20,084)	(810)
<b>Provision for Restoration at the End of the Reporting Period</b>	<b>6,677</b>	<b>26,761</b>

- a) The decrease (\$20.1 million) is mainly due to the obligation for the restoration of the West Belconnen Landfill (including Parkwood Road Recycling Estate) sites transferring to the SLA in 2022-23.

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 19 OTHER LIABILITIES**

**Description and Material Accounting Policies Relating to Other Liabilities**

**Streetlights Upgrades Liability**

Streetlight Upgrades Liability relates to amounts owed to Electrix Pty Ltd for the upgrade of streetlights across the Territory under contractual requirements.

**Concessional Loans Payable**

The Directorate entered into a memorandum of understanding with the Environment, Planning and Sustainable Development Directorate for several Concessional Loans from the Zero Emissions Government Fund. The purpose of the concessional loan was to replace two end-of-life fixed-speed air compressors with two variable-speed compressors equipped with heat recovery. The concessional loan is interest free.

The repayment of the loan will be made in equal annual repayments. The loan is not repayable on demand.

Concessional loans payable is recognised when the Directorate become a party to the contract and, as a consequence, has a legal right to pay cash. This generally occurs once the concessional loan agreements are signed and the loan amount is provided to the Directorate. As the loan agreement was finalised at the date the funds were provided, no loan commitment will be initially recognised.

Upon initial recognition the loan payable is measured at fair value plus transaction costs, with nominal value being determined using a discounted cash flow analysis. Subsequent to initial recognition, the loans payable is measured at amortised cost as it is held only to pay contractual cash flows and these cash flows are repayments of principal on specified dates.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current Other Liabilities</b>		
Streetlights Upgrades Liability	3,507	3,546
Carbon Neutral Fund Loan from EPSDD	152	178
<b>Total Current Other Liabilities</b>	<b>3,659</b>	<b>3,724</b>
<b>Non-Current Other Liabilities</b>		
Streetlights Upgrades Liability	4,063	8,029
Carbon Neutral Fund Loan from EPSDD	184	251
<b>Total Non-Current Other Liabilities</b>	<b>4,247</b>	<b>8,280</b>
<b>Total Other Liabilities <sup>a</sup></b>	<b>7,906</b>	<b>12,004</b>

a) The decrease (\$4.1 million) is mainly due to payments made for streetlights upgrades during the year.

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 20 EQUITY**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Movements in the Asset Revaluation Surplus during the Reporting Period</b>		
<b>Asset Revaluation Surplus</b>		
The Asset Revaluation Surplus is used to record the increments and decrements in the value of Property, Plant and Equipment.		
<b>Land Revaluation Surplus</b>		
Balance at the Beginning of the Reporting Period	20,379	20,379
Increment on Revaluation	22,089	-
Increase in Land Restoration Provision	160	-
<b>Balance at the End of the Reporting Period</b>	<b>42,628</b>	<b>20,379</b>
<b>Infrastructure Revaluation Surplus</b>		
Balance at the Beginning of the Reporting Period	3,419,999	2,684,252
Increment on Revaluation	29,244	736,651
Reversal of Impairment Losses/(Impairment Losses)	14	(904)
Asset Reclassification Transfers <sup>a</sup>	17,233	-
<b>Balance at the End of the Reporting Period</b>	<b>3,466,490</b>	<b>3,419,999</b>
<b>Leasehold Improvements</b>		
Balance at the Beginning of the Reporting Period	502	502
<b>Balance at the End of the Reporting Period</b>	<b>502</b>	<b>502</b>
<b>Building Revaluation Surplus</b>		
Balance at the Beginning of the Reporting Period	28,099	28,130
Increment on Revaluation	15,351	-
(Impairment Losses)	(1,701)	(31)
<b>Balance at the End of the Reporting Period</b>	<b>41,749</b>	<b>28,099</b>
<b>Heritage and Community Assets Revaluation Surplus</b>		
Balance at the Beginning of the Reporting Period	2,347,669	1,640,971
Increment on Revaluation	55,916	706,698
Asset Reclassification Transfers	(840)	-
Transfers to Other Directorates	(669)	-
<b>Balance at the End of the Reporting Period</b>	<b>2,402,076</b>	<b>2,347,669</b>
<b>Plant and Equipment Revaluation Surplus</b>		
Balance at the Beginning of the Reporting Period	39,084	31,754
Increment on Revaluation	5,756	7,394
Asset Reclassification Transfers <sup>a</sup>	(16,393)	-
(Impairment Losses)	(13)	(64)
Transfers to Other Directorates	(116)	-
<b>Balance at the End of the Reporting Period</b>	<b>28,318</b>	<b>39,084</b>
<b>Total Asset Revaluation Surplus</b>	<b>5,981,763</b>	<b>5,855,732</b>

a) For more information, refer to Note 13 – Property, Plant and Equipment.

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 20 EQUITY – CONTINUED**

	2023 \$'000	2022 \$'000
<b>Movements In the Asset Revaluation Surplus during the Reporting Period</b>		
Net Revaluation Increment <sup>b</sup>	128,356	1,450,743
Net (Impairment Losses)	(1,700)	(999)
Increase in Land Restoration Provision	160	-
Transfers to Other Directorates	(785)	-
<b>Total Revaluation Increment</b>	<b><u>126,031</u></b>	<b><u>1,449,744</u></b>

b) Net Revaluation Increments are dependent on categories of assets revalued each year and the movements in asset values. The significant movements to the Asset Revaluations Surplus are as follows:

- An increase in Infrastructure Assets (\$29.2 million), driven by a surge in material costs across Australia, including Rockwalls, Signs and Retaining Walls (\$20.5 million).
- An increase in Heritage and Community Assets (\$55.9 million) is mainly due to an overall rise in the value of commercial assets, which led to a collective increase in sportsgrounds and open public space assets (\$36.5 million). There was also an increase in Land Under Roads (\$15.1 million), mainly resulting from a 0.6% increase in the value per square meter (\$14.1 million) and an increase in the area of land under roads (\$1.0 million).
- An increase in Land (\$22.1 million) and Buildings (\$15.4 million) mainly resulted from market value changes associated with increased land demand and construction costs.

# **Transport Canberra and City Services Directorate**

## **Notes to and Forming Part of the Financial Statements**

### **For the Year Ended 30 June 2023**

#### **NOTE 21 FINANCIAL INSTRUMENTS**

##### **Material Accounting Policies Relating to Financial Instruments**

Details of the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability are disclosed in the note to which they relate. In addition to these policies, the following are also accounting policies relating to financial assets and liabilities.

The Directorate's financial assets are subsequently measured at amortised cost on the basis of both:

- (a) the business model for managing the financial assets; and
- (b) the contractual cash flow characteristics of the financial assets.

Financial liabilities are measured at amortised cost.

##### **Credit Risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Directorate's credit risk is limited to the amount of the financial assets it holds net of any provision for impairment.

Credit risk is managed by the Directorate for cash at bank by holding bank balances with the ACT Government's bank, Westpac Banking Corporation (Westpac). Westpac holds a AA issuer credit rating with Standard and Poors. A 'AA' credit rating is defined as a 'very strong capacity to meet financial commitments'.

The Directorate manages the credit risk of receivables by regular review of the individual receivables and referral to debt collection agencies where appropriate. The results are reported to senior management on a monthly basis. There have been no significant changes in credit risk exposure since last reporting period.

Trade receivables are measured at lifetime expected credit losses.

##### **Liquidity Risk**

Liquidity risk is the risk that the Directorate will encounter difficulties in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

To limit its exposure to liquidity risk the Directorate ensures that it has a sufficient amount of current financial assets to meet its current financial liabilities. The main source of cash to pay these obligations is appropriation from the ACT Government which is drawn down on a fortnightly basis during the year. The Directorate manages its liquidity risk through forecasting appropriation drawdown requirements to enable payment of anticipated obligations.

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 21 FINANCIAL INSTRUMENTS – CONTINUED**

The Directorate is also able to drawdown additional Controlled Recurrent Payments in the next reporting period to cover its financial liabilities when they fall due. This ensures the Directorate has enough liquidity to meet its emerging financial liabilities.

The Directorate's exposure to liquidity risk and the management of this risk has not changed since the last reporting period.

Carrying amount and Fair Value of Financial Assets and Liabilities.

	Note No.	Carrying Amount 2023 \$'000	Carrying Amount 2022 \$'000
<b>Financial Assets</b>			
Cash and Cash Equivalents	11	15,003	26,435
Receivables	12	6,840	5,066
<b>Total Financial Assets</b>		<b>21,843</b>	<b>31,501</b>
<b>Financial Liabilities</b>			
Payables	15	15,716	11,615
Lease Liabilities	16	12,133	13,150
Other Liabilities	19	7,906	12,004
<b>Total Financial Liabilities</b>		<b>35,755</b>	<b>36,769</b>

The carrying amount of financial assets and liabilities approximates their fair value.

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 21 FINANCIAL INSTRUMENTS – CONTINUED**

The following tables set out the Directorate's maturity analysis for Financial Liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period. All amounts appearing in the following maturity analysis are shown on an undiscounted cash flow basis.

	Note No.	Weighted Average Interest Rate	Fixed Interest Maturing In:				Non-Interest Bearing \$'000	Total \$'000
			1 Year or Less \$'000	Over 1 Year to 5 Years \$'000	Over 5 Years \$'000			
At 30 June 2023								
Financial Liabilities								
Payables	15		-	-	-	-	15,716	15,716
Lease Liabilities (Interest Inclusive)	16	4.64%	5,717	7,324	-	-	-	13,041
Streetlights Upgrades Liability	19		-	-	-	-	7,570	7,570
Carbon Neutral Fund Loan from EPSDD	19		-	-	-	-	336	336
Total Financial Liabilities			5,717	7,324	-	-	23,622	36,663

<b>At 30 June 2022</b>								
<b>Financial Liabilities</b>								
Payables	15		-	-	-	-	11,615	11,615
Lease Liabilities (Interest Inclusive)	16	3.35%	5,724	8,011	115	-	-	13,850
Streetlights Upgrades Liability	19		-	-	-	-	11,575	11,575
Carbon Neutral Fund Loan from EPSDD	19		-	-	-	-	429	429
<b>Total Financial Liabilities</b>			<b>5,724</b>	<b>8,011</b>	<b>115</b>	<b>-</b>	<b>23,619</b>	<b>37,469</b>

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 22 CAPITAL AND OTHER EXPENDITURE COMMITMENTS**

**Description and Material Accounting Policies Relating to Capital and Other Expenditure Commitments**

Commitments are a firm intention, but not a present obligation, at the end of the reporting period to incur future expenditure. As such, commitments do not constitute a liability. Commitments usually arise from contracts, but can arise from other things like placing an order.

All amounts shown in the Commitment Note are inclusive of Goods and Services Tax.

**Capital Commitments**

Capital Commitments that have not been recognised as liabilities mainly relate to infrastructure asset upgrades. There are no other contractual commitments for the acquisition of non-financial assets other than those included below.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Capital Commitments</b>		
Payable:		
Within one year	164,674	96,621
Later than one year but not later than five years	102,369	24,946
<b>Total Capital Commitments <sup>a</sup></b>	<b>267,043</b>	<b>121,567</b>

- a) The increase (\$145.5 million) is mainly due to the commencement of the design and construction of the John Gorton Drive and Molonglo River Bridge Crossing projects.

**Other Commitments**

Other Commitments that have not been recognised as liabilities include contracts for streetlight upgrades, delivery of waste services, office accommodation and roads resealing works.

**Other Commitments**

Payable:		
Within one year	70,166	76,769
Later than one year but not later than five years	50,246	51,870
Later than five years	98,160	100,805
<b>Total Other Commitments</b>	<b>218,572</b>	<b>229,444</b>

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 22 CAPITAL AND OTHER EXPENDITURE COMMITMENTS -  
CONTINUED**

**Non-Cancellable Low Value Lease Commitments**

The non-cancellable low value lease commitments that have not been recorded as liabilities mainly relate to provision of low value and short-term leased vehicles with SG Fleet and provision of ICT equipment with SS.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Non-Cancellable Low Value Lease Commitments</b>		
Non-Cancellable Low Value Lease Commitments are payable as follows:		
Payable:		
Within one year	667	866
Later than one year but not later than five years	621	682
Later than five years	51	37
<b>Total Non-Cancellable Low Value Lease Commitments</b>	<b>1,339</b>	<b>1,585</b>

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 23 CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

**Material Accounting Policies Relating to Contingent Liabilities and Contingent Assets**

Contingent liabilities and contingent assets are not recognised in the Balance Sheet due to the uncertainty regarding any possible amount or timing of any underlying claim or obligation. Instead they are disclosed and, if quantifiable, the best estimate is disclosed.

**Contingent Liabilities**

*Contamination of Land*

The Directorate owns 130 sites as at 30 June 2023 (115 at 30 June 2022) that have been identified as contaminated land. Whilst there is no present obligation to remediate these sites, a contingent liability reflecting possible future costs has been estimated at \$60.3 million (estimated cost at 30 June 2022: \$53.4 million). This estimate is based on costs incurred for restoring similar sites in previous years.

*Legal Claims*

The Directorate is subject to 104 legal claims at 30 June 2023 (93 legal claims as at 30 June 2022). The Directorate is potentially liable for \$520,000 (2022: \$465,000) which represents the excess amount payable on these actions as the Directorate is covered by ACTIA. If the Directorate under the arrangements with ACTIA pays the full amount of a successful claim, the amount less the excess is reimbursed to the Directorate by ACTIA. The estimated contingent liability has not been provided for in the Directorate's accounts. The estimated actuarially assessed liability covered by ACTIA is included in ACTIA's financial statements.

**Contingent Assets**

The Directorate has a contingent asset as at 30 June 2023 related to the Directorate's insurance arrangement where reimbursement from ACTIA occurs (refer to Legal Claims above).

# Transport Canberra and City Services Directorate

## Notes to and Forming Part of the Financial Statements

### For the Year Ended 30 June 2023

#### NOTE 24 RELATED PARTY DISCLOSURES

##### Description and Material Accounting Policies Relating to Related Party Disclosures

A related party is a person that controls or has significant influence over the reporting entity or is a member of the Key Management Personnel (KMP) of the reporting entity or its parent entity, and includes their close family members and entities in which the KMP and/or their close family members individually or jointly have controlling interests.

KMP are those persons having authority and responsibility for planning, directing, and controlling the activities of the Directorate, directly or indirectly.

KMP of the Directorate are the Portfolio Ministers, the Director-General and other members of the Directorate's Executive Team.

The Head of Service and the ACT Executive comprising the Cabinet Ministers are KMP of the ACT Government and therefore related parties of the Directorate. This Note does not include typical citizen transactions between the KMP and the Directorate that occur on terms and conditions no different to those applying to the general public.

##### (A) CONTROLLING ENTITIES

The Directorate is an ACT Government controlled entity.

##### (B) KEY MANAGEMENT PERSONNEL

##### B.1 Compensation of Key Management Personnel

Compensation of all Cabinet Ministers, including the Portfolio Minister, is disclosed in the Note on Related Party Disclosures included in the ACT Executive's financial statements for the financial year ended 30 June 2023.

Compensation of the Head of Service is included in the note on Related Party Disclosures, included in CMTEDD's financial statements for the financial year ended 30 June 2023.

Compensation by the Directorate to KMP are set out below.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Short-term employee benefits	3,020	2,801
Post-employment benefits	576	482
Other long-term benefits	71	65
<b>Total Compensation to KMP</b>	<b>3,667</b>	<b>3,348</b>

The Directorate had nine positions classified as KMP in both 2022-23 and 2021-22. The increase is mainly due to an increase in the number of short-term acting arrangements associated with KMP positions.

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 24 RELATED PARTY DISCLOSURES – CONTINUED**

**B.2 Transactions with Key Management Personnel**

There were no transactions with KMP that were material to the financial statements of the Directorate.

**B.3 Transactions with parties related to Key Management Personnel**

There were no transactions with parties related to KMP, including transactions with KMP's close family members or other related entities that were material to the financial statements of the Directorate.

**(C) Transactions with other ACT Government Controlled Entities**

All transactions with ACT Government controlled entities are disclosed in the relevant notes to the financial statements of the Directorate.

	<b>Note No.</b>	<b>Actual 2023 \$'000</b>	<b>Description of Material Transactions included within the balance</b>
<b>Income</b>			
Controlled Recurrent Payments	#	491,097	Refer to the Statement of Appropriation.
Sales of Goods and Services from Contracts with Customers	4	8,485	The Directorate received \$7.9 million in linen service revenue from HD.
Grants and Contributions Revenue	5	27,418	Refer to the note.
Other Income		5,029	The Directorate recovered \$1.6 million from ED for the East Gungahlin High School Stormwater project, \$1.4 million from ACTIA for bushfire and motor vehicle accident insurance, \$1.0 million from CRA for maintenance work in the City Precinct and \$0.5 million from ACT Economic Development for Floriade 2022.
<b>Expenses</b>			
Employee Expenses	6	2,547	The Directorate paid \$1.6 million to the Public Sector Workers Compensation Fund for workers' compensation premiums and \$0.6 million to ED for teachers working in Birrigai Outdoor School.
Supplies and Services	7	42,976	The Directorate paid \$14.0 million to SS for Finance, Human Resources, printing and IT services, \$10.3 million to ACTPG for the office accommodation and facilities, \$7.5 million to ACTIA for insurance premiums, \$3.9 million to Icon Water for water charges, \$2.1 million to CMTEDD for sales force support and injury management, \$2.0 million to JACS for legal costs and \$0.9 million to ACT Procurement for the goods and services procurement fee.
Grants and Purchased Services	8	204,819	Refer to the note.
Other Expenses		2,529	Represents the result of Birrigai Outdoor School transferred to ED.

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 24 RELATED PARTY DISCLOSURES – CONTINUED**

**(C) Transactions with other ACT Government Controlled Entities - Continued**

	<b>Note No.</b>	<b>Actual 2023 \$'000</b>	<b>Description of Material Transactions included within the balance</b>
<b>Current Assets</b>			
Receivables	12	1,374	The Directorate has \$0.6 million in linen services debts from HD.
<b>Current Liabilities</b>			
Payables	15	3,389	The Directorate received \$0.8 million in subsidies from EPSDD in upgrading Yarralumla Nursery to reduce the cost of carbon, \$0.5 million from ACT Public Cemeteries Authority for the Gungahlin Memorial Hall and Condolence Lounge, and \$0.6 million from ACTPG for office accommodation and facilities.

# **Transport Canberra and City Services Directorate** **Notes to and Forming Part of the Financial Statements** **For the Year Ended 30 June 2023**

## **NOTE 25 BUDGETARY REPORTING**

### **Significant Accounting Judgements and Estimates – Budgetary Reporting**

Original Budget refers to the amounts presented to the Legislative Assembly in the original budget financial statements in respect of the reporting period (2022-2023 Budget Statements). These amounts have not been adjusted to reflect supplementary appropriation or appropriation instruments.

The following are brief explanations of major line item variances between budget estimates and actual outcomes. Variances are considered to be major variances if both of the following criteria are met:

- The line item is a significant line item: where either the line item actual amount accounts for more than 10% of the relevant associated actual category amount (Income, Expenses, Assets, Liabilities and Equity totals) or more than 10% of the sub-element (e.g. Current Liabilities and Receipts from Operating Activities totals) of the financial statements; and
- The variances (Original Budget to actual) are greater than plus (+) or minus (-) 10% and \$15 million for the financial statement line item.

Income Statement Line Items	Actual 2023 \$'000	Original Budget 2023 \$'000	Variance \$'000	Variance %	Variance Explanations
Grants and Contributions	40,031	147,784	(107,753)	(73)	The lower than budgeted result is mainly due to a lower value of assets transferred from SLA (\$74.8 million) and private developers (\$39.1 million). These amounts vary year to year and are difficult to predict.
Expensing of Capital Works in Progress	19,757	-	19,757	100	The unbudgeted result of \$19.8 million is mainly related to Road Upgrades and Safety (\$11.7 million), Active Travel (\$2.1 million), Park facilities upgrade (\$1.5 million), Stormwater upgrade (\$1.5 million) and Better Public Transport (\$1.1 million). The Directorate expenses these costs as they do not meet the asset recognition criteria under the Australian Accounting Standards.
Asset Revaluation Surplus	126,031	(3,428)	129,459	(3,777)	Asset revaluation outcomes are difficult to predict. The higher than budgeted result is mainly due to revaluation increment of assets. For more information, refer to Note 20 - Equity.

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 25 BUDGETARY REPORTING – CONTINUED**

<b>Balance Sheet Line Items</b>	<b>Actual 2023 \$'000</b>	<b>Original Budget 2023 \$'000</b>	<b>Variance \$'000</b>	<b>Variance %</b>	<b>Variance Explanations</b>
Property, Plant and Equipment	11,706,347	10,560,909	1,145,438	11	The higher than budgeted result is mainly due to the revaluation increment of stormwater assets and land under roads in 2021-22. Asset revaluation outcomes are difficult to predict.
Capital Works in Progress	149,886	236,806	(86,920)	(37)	The lower than budgeted result is explained in the Statement of Appropriation - Capital Injections section.
Asset Revaluation Surplus	5,981,763	4,551,560	1,430,203	31	The higher than budgeted result is mainly due to the revaluation increment in the value of infrastructure (stormwater) and land under road assets in 2021-22.

<b>Statement of Cash Flows Line Items</b>					
Purchase of Capital Works in Progress	136,766	179,606	(42,840)	(24)	The lower than budgeted result is explained in the Statement of Appropriation - Capital Injections section.
Capital Injections	148,389	220,853	(72,464)	(33)	The lower than budgeted result is explained in the Statement of Appropriation - Capital Injections section.

# **TRANSPORT CANBERRA AND CITY SERVICES DIRECTORATE**

## **TERRITORIAL FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
30 JUNE 2023**

# **Transport Canberra and City Services Directorate**

## **Content of Territorial Financial Statements**

### **For the Year Ended 30 June 2023**

#### **Financial Statements**

Statement of Income and Expenses on Behalf of the Territory

Statement of Assets and Liabilities on Behalf of the Territory

Statement of Cash Flows on Behalf of the Territory

#### **Income Notes**

Note	26	Sale of Services from Contracts with Customers – Territorial
Note	27	Other Expenses - Territorial

#### **Assets Notes**

Note	28	Cash and Cash Equivalents - Territorial
Note	29	Receivables – Territorial

#### **Liabilities Notes**

Note	30	Payables – Territorial
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#### **Other Notes**

Note	31	Financial Instruments – Territorial
Note	32	Budgetary Reporting – Territorial

**Transport Canberra and City Services Directorate**  
**Statement of Income and Expenses on Behalf of the Territory**  
**For the Year Ended 30 June 2023**

	<b>Note No.</b>	<b>Actual 2023 \$'000</b>	<b>Original Budget 2023 \$'000</b>	<b>Actual 2022 \$'000</b>
<b>Income</b>				
Sale of Services from Contracts with Customers	26	14,824	28,316	15,236
Fees and Fines		554	362	703
<b>Total Income</b>		<b>15,378</b>	<b>28,678</b>	<b>15,939</b>
<b>Expenses</b>				
Transfer Payments to Government		15,376	28,678	15,828
Other Expenses	27	2	-	111
<b>Total Expenses</b>		<b>15,378</b>	<b>28,678</b>	<b>15,939</b>
<b>Operating Result</b>		<b>-</b>	<b>-</b>	<b>-</b>

The above Statement of Income and Expenses on Behalf of the Territory is to be read in conjunction with the accompanying notes.

**Transport Canberra and City Services Directorate**  
**Statement of Assets and Liabilities on Behalf of the Territory**  
**At 30 June 2023**

		Actual	Original	Actual
	Note	2023	Budget	2022
	No.	\$'000	\$'000	\$'000
<b>Current Assets</b>				
Cash and Cash Equivalents	28	4	15	6
Receivables	29	1,546	2,050	2,402
<b>Total Current Assets</b>		<b>1,550</b>	<b>2,065</b>	<b>2,408</b>
<b>Total Assets</b>		<b>1,550</b>	<b>2,065</b>	<b>2,408</b>
<b>Current Liabilities</b>				
Payables	30	1,550	2,065	2,408
<b>Total Current Liabilities</b>		<b>1,550</b>	<b>2,065</b>	<b>2,408</b>
<b>Total Liabilities</b>		<b>1,550</b>	<b>2,065</b>	<b>2,408</b>
<b>Net Assets</b>		-	-	-
<b>Equity</b>				
Accumulated Funds		-	-	-
<b>Total Equity</b>		<b>-</b>	<b>-</b>	<b>-</b>

The above Statement of Assets and Liabilities on Behalf of the Territory is to be read in conjunction with the accompanying notes.

As the Net Assets and Total Equity has remained at nil, a Statement of Changes in Equity on Behalf of the Territory has not been prepared.

**Transport Canberra and City Services Directorate**  
**Statement of Cash Flows on Behalf of the Territory**  
**For the Year Ended 30 June 2023**

		Actual 2023 \$'000	Original Budget 2023 \$'000	Actual 2022 \$'000
<b>Cash Flows from Operating Activities</b>				
<b>Receipts</b>				
Sale of Services from Contracts with Customers		15,627	28,316	14,488
Fees and Fines		555	362	705
Goods and Services Tax Collected from Customers		827	2,023	1,143
<b>Total Receipts from Operating Activities</b>		<b>17,009</b>	<b>30,701</b>	<b>16,336</b>
<b>Payments</b>				
Transfer of Territory Receipts to the ACT Government		16,154	28,678	15,097
Goods and Services Tax Remitted to the Australian Taxation Office		857	2,023	1,248
<b>Total Payments from Operating Activities</b>		<b>17,011</b>	<b>30,701</b>	<b>16,345</b>
<b>Net Cash (Outflows) from Operating Activities</b>	28	<b>(2)</b>	<b>-</b>	<b>(9)</b>
<b>Net (Decrease) in Cash and Cash Equivalents</b>		<b>(2)</b>	<b>-</b>	<b>(9)</b>
Cash and Cash Equivalents at the Beginning of the Reporting Period		6	15	15
<b>Cash and Cash Equivalents at the End of the Reporting Period</b>	28	<b>4</b>	<b>15</b>	<b>6</b>

The above Statement of Cash Flows on Behalf of the Territory is to be read in conjunction with the accompanying notes.

# **Transport Canberra and City Services Directorate** **Notes to and Forming Part of the Financial Statements - Territorial** **For the Year Ended 30 June 2023**

## **SIGNIFICANT ACCOUNTING POLICIES – TERRITORIAL**

Significant Accounting Policies outlined in the Controlled Financial Statements also apply to the Territorial Statements of the Directorate.

## **INCOME NOTES**

### **NOTE 26 SALES OF SERVICES FROM CONTRACTS WITH CUSTOMERS – TERRITORIAL**

#### **Description and Material Accounting Policies relating to the Sale of Goods and Services - Territorial**

Waste acceptance fees relate to fees associated with the acceptance of commercial and industrial waste at landfill sites. The performance obligation is the provision of landfill site access to a customer. Revenue is recognised at the time of disposal of waste at the landfill sites.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Sale of Services from Contract with Customers</b>		
Waste Acceptance Fees	14,824	15,236
<b>Total Sale of Services from Contract with Customers</b>	<b>14,824</b>	<b>15,236</b>

### **NOTE 27 OTHER EXPENSES – TERRITORIAL**

#### **Other Expenses**

Write-Offs - Irrecoverable Debts	2	111
<b>Total Other Expenses</b>	<b>2</b>	<b>111</b>

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements - Territorial**  
**For the Year Ended 30 June 2023**

**ASSETS NOTES**

**NOTE 28 CASH AND CASH EQUIVALENTS – TERRITORIAL**

- (a) **Reconciliation of Cash and Cash Equivalents - Territorial at the End of the Reporting Period in the Statement of Cash Flows on Behalf of the Territory to the Related Items in the Statement of Assets and Liabilities on Behalf of the Territory.**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Total Cash and Cash Equivalents Recorded on the Statement of Assets and Liabilities on Behalf of the Territory	4	6
<b>Cash at the End of the Reporting Period as Recorded in the Statement of Cash Flows on Behalf of the Territory</b>	<b>4</b>	<b>6</b>

All cash recorded on the Statement of Assets and Liabilities on Behalf of the Territory are cash at bank. The Directorate holds one bank account with the Westpac Banking Corporation for Territorial cash at bank and no interest is earned on this account.

**(b) Reconciliation of the Operating Result to Net Cash Inflows from Operating Activities**

Operating Result	-	-
<b>Cash Before Changes in Operating Assets and Liabilities</b>	<b>-</b>	<b>-</b>
<b>Changes in Operating Assets and Liabilities</b>		
Decrease/(Increase) in Receivables	856	(352)
(Decrease)/Increase in Payables	(858)	343
<b>Net Changes in Operating Assets and Liabilities</b>	<b>(2)</b>	<b>(9)</b>
<b>Net Cash (Outflows) from Operating Activities</b>	<b>(2)</b>	<b>(9)</b>

# Transport Canberra and City Services Directorate

## Notes to and Forming Part of the Financial Statements - Territorial

### For the Year Ended 30 June 2023

#### NOTE 29 RECEIVABLES – TERRITORIAL

##### Description and Material Accounting Policies Relating to Receivables - Territorial

##### Significant Judgements and Estimates

The Directorate has made a significant estimate in the calculation of the allowance for Expected Credit losses for Receivables - Territorial in the Financial Statements. This significant estimate is based on assessment of individual debtors based on historical credit loss experience, adjusted for forward looking factors specific to each debtor.

	2023 \$'000	2022 \$'000
<b>Current Receivables</b>		
Trade Receivables	1,205	1,841
Less: Expected Credit Loss Allowance	-	(120)
	<b>1,205</b>	<b>1,721</b>
Accrued Revenue	341	681
<b>Total Current Receivables</b>	<b>1,546</b>	<b>2,402</b>
<b>Total Receivables</b>	<b>1,546</b>	<b>2,402</b>

##### Ageing of Receivables

	Estimated total gross carrying amount at \$'000	Expected credit loss Allowance \$'000
<b>30 June 2023</b>		
Not overdue	948	-
1-30 Days Past Due	255	-
31-60 Days Past Due	2	-
Total	<b>1,205</b>	<b>-</b>
<b>30 June 2022</b>		
Not overdue	2,083	-
1-30 Days Past Due	439	120
Total	<b>2,522</b>	<b>120</b>

**Transport Canberra and City Services Directorate**  
**Notes to and Forming Part of the Financial Statements - Territorial**  
**For the Year Ended 30 June 2023**

**LIABILITIES NOTES**

**NOTE 30 PAYABLES – TERRITORIAL**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current Payables</b>		
Accrued Expenses	1,493	2,321
Net Goods and Services Tax Payable	57	87
<b>Total Current Payables</b>	<b>1,550</b>	<b>2,408</b>
<b>Total Payables</b>	<b>1,550</b>	<b>2,408</b>

No payables are overdue.

# Transport Canberra and City Services Directorate

## Notes to and Forming Part of the Financial Statements - Territorial

### For the Year Ended 30 June 2023

#### OTHER NOTES

#### NOTE 31 FINANCIAL INSTRUMENTS – TERRITORIAL

##### Description and Material Accounting Policies Relating to Financial Instruments - Territorial

##### Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Directorate's Territorial credit risk is limited to the amount of the financial assets held less any provision for losses. Further, inter-agency receivables between ACT Government Entities are generally expected to have low credit risks. The Directorate expects to collect all financial assets that are not past due or impaired. There is no collateral held as security for financial assets.

The primary credit risk arises from account holders for commercial waste disposal at ACT landfills. This risk is addressed through approval of credit applications, monitoring debt ageing reports, facility access restrictions and formal debt recovery processes.

There have been no significant changes in credit risk exposure since last reporting period.

##### Fair Value of Financial Assets and Liabilities

	Note No.	Carrying Amount 2023 \$'000	Carrying Amount 2022 \$'000
<b>Financial Assets</b>			
Receivables	29	1,205	1,721
Cash and Cash Equivalents		4	6
<b>Total Financial Assets</b>		<b>1,209</b>	<b>1,727</b>

All financial assets are non-interest bearing and their fair value approximate carrying amounts.

# **Transport Canberra and City Services Directorate** **Notes to and Forming Part of the Financial Statements - Territorial** **For the Year Ended 30 June 2023**

## **NOTE 32 BUDGETARY REPORTING – TERRITORIAL**

### **Significant Accounting Judgements and Estimates – Budgetary Reporting - Territorial**

Original Budget refers to the amounts presented to the Legislative Assembly in the original budget financial statements in respect of the reporting period (2022-2023 Budget Statements). These amounts have not been adjusted to reflect supplementary appropriation or appropriation instruments.

The following are brief explanations of major line item variances between budget estimates and actual outcomes. Variances are considered to be major variances if both of the following criteria are met:

- (a) The line item is a significant line item: where either the line item actual amount accounts for more than 10% of the relevant associated category (Income, Expenses and Equity totals) or more than 10% of the sub-element (e.g. Current Liabilities and Receipts from Operating Activities totals) of the financial statements; and
- (b) The variances (Original Budget to actual) are greater than plus (+) or minus (-) 5% and \$1 million for the financial statement line item.

<b>Statement of Income and Expenses on Behalf of the Territory Line Items</b>	<b>Actual 2023 \$'000</b>	<b>Original Budget 2023 \$'000</b>	<b>Variance \$'000</b>	<b>Variance %</b>	<b>Variance Explanations</b>
Sale of Services from Contracts with Customers	14,824	28,316	(13,492)	(48)	The lower than budgeted amount is a result of fees for waste disposal not increasing in line with the budget.
Transfer to Government	15,376	28,678	(13,302)	(46)	The lower than budgeted result is as explained above as all revenue is transferred to the Territory Banking Account.

<b>Statement of Cash Flows on Behalf of the Territory Line Items</b>					
Sale of Services from Contracts with Customers	15,627	28,316	(12,689)	(45)	The lower than budgeted amount is a result of fees for waste disposal not increasing in line with the budget.
Transfer of Territory Receipts to the ACT Government	16,154	28,678	(12,524)	(44)	The lower than budgeted result is as explained above as all revenue is transferred to the Territory Banking Account.

# **TRANSPORT CANBERRA OPERATIONS**

## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
30 JUNE 2023**

## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of the ACT Legislative Assembly**

### **Opinion**

I have audited the financial statements of Transport Canberra Operations for the year ended 30 June 2023 which comprise the operating statement, balance sheet, statement of changes in equity, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements:

- (i) present fairly, in all material respects, Transport Canberra Operations' financial position as at 30 June 2023, and its financial performance and cash flows for the year then ended; and
- (ii) are presented in accordance with the *Financial Management Act 1996* and comply with Australian Accounting Standards.

### **Basis for opinion**

I conducted the audit in accordance with the Australian Auditing Standards. My responsibilities under the standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of this report.

I am independent of Transport Canberra Operations in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (Code). I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinion.

### **Responsibilities of Transport Canberra Operations for the financial statements**

The Director-General of the Transport Canberra and City Services Directorate is responsible for:

- preparing and fairly presenting the financial statements in accordance with the *Financial Management Act 1996*, and relevant Australian Accounting Standards;
- determining the internal controls necessary for the preparation and fair presentation of the financial statements so that they are free from material misstatements, whether due to error or fraud; and
- assessing the ability of Transport Canberra Operations to continue as a going concern and disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting in preparing the financial statements.

### **Auditor's responsibilities for the audit of the financial statements**

Under the *Financial Management Act 1996*, the Auditor-General is responsible for issuing an audit report that includes an independent opinion on the financial statements of Transport Canberra Operations.

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of Transport Canberra Operations' internal controls;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Transport Canberra Operations;
- conclude on the appropriateness of Transport Canberra Operations' use of the going concern basis of accounting and, based on audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Transport Canberra Operations' ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in this report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of this report. However, future events or conditions may cause Transport Canberra Operations to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether they represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Director-General of the Transport Canberra and City Services Directorate regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Ajay Sharma  
Assistant Auditor-General, Financial Audit  
27 September 2023

**Transport Canberra Operations  
Financial Statements  
For the Year Ended 30 June 2023**

**Statement of Responsibility**

In my opinion, the TCO financial statements fairly reflect the financial operations for the year ended 30 June 2023 and its financial position on that date.



Karen Doran

A/g Director-General

Transport Canberra and City Services Directorate

26 September 2023

**Transport Canberra Operations  
Financial Statements  
For the Year Ended 30 June 2023**

**Statement by the Chief Financial Officer**

In my opinion, the TCO financial statements have been prepared in accordance with the Australian Accounting Standards, are in agreement with its accounts and records and fairly reflect its financial operations for the year ended 30 June 2023 and the financial position on that date.

*Andrew Pedersen*

Andrew Pedersen  
Chief Financial Officer  
Transport Canberra and City Services Directorate  
26 September 2023

# Transport Canberra Operations

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### For the Year Ended 30 June 2023

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# Transport Canberra Operations Operating Statement For the Year Ended 30 June 2023

	Note No.	Actual 2023 \$'000	Original Budget 2023 \$'000	Actual 2022 \$'000
<b>Income</b>				
Sales of Goods and Services from Contracts with Customers	4	22,625	29,892	15,290
Contributions Revenue	5	213,169	207,658	206,824
Other Income		2,306	767	2,924
Gains from Disposal of Assets	4	-	-	3
<b>Total Income</b>		<b>238,104</b>	<b>238,317</b>	<b>225,041</b>
<b>Expenses</b>				
Employee Expenses	6	135,654	134,808	135,893
Supplies and Services	7	89,286	86,083	79,534
Depreciation and Amortisation	11	32,776	33,172	32,895
Borrowing Costs	8	16,161	17,379	10,947
Expensing of Capital Works in Progress		4,281	-	2,258
Other Expenses		250	693	390
<b>Total Expenses</b>		<b>278,408</b>	<b>272,135</b>	<b>261,917</b>
<b>Operating Result before Income Tax Equivalents</b>		<b>(40,304)</b>	<b>(33,818)</b>	<b>(36,876)</b>
Income Tax Equivalents Income	17	12,141	-	11,112
<b>Operating Result</b>		<b>(28,163)</b>	<b>(33,818)</b>	<b>(25,764)</b>
<b>Other Comprehensive Result</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Increase in the Asset Revaluation Surplus		176,123	14,820	-
<b>Total Other Comprehensive Result</b>		<b>176,123</b>	<b>14,820</b>	<b>-</b>
<b>Total Comprehensive Result</b>		<b>147,960</b>	<b>(18,998)</b>	<b>(25,764)</b>

The above Operating Statement is to be read in conjunction with the accompanying notes.

TCO has only one output class and as such the above Operating Statement is also TCO's Operating Statement for TCO Output Class.

# Transport Canberra Operations

## Balance Sheet

### At 30 June 2023

		Actual 2023 \$'000	Original Budget 2023 \$'000	Actual 2022 \$'000
<b>Current Assets</b>				
Cash and Cash Equivalents	10	11,393	14,407	14,685
Receivables		2,586	2,958	1,525
Inventories		4,626	4,206	3,943
Other Current Assets		797	419	381
<b>Total Current Assets</b>		<b>19,402</b>	<b>21,990</b>	<b>20,534</b>
<b>Non-Current Assets</b>				
Property, Plant and Equipment	11	1,056,447	859,415	900,330
Capital Works in Progress		5,036	14,266	3,752
Intangible Assets		-	1,455	-
<b>Total Non-Current Assets</b>		<b>1,061,483</b>	<b>875,136</b>	<b>904,082</b>
<b>Total Assets</b>		<b>1,080,885</b>	<b>897,126</b>	<b>924,616</b>
<b>Current Liabilities</b>				
Payables	12	18,386	15,626	15,053
Borrowings	14	11,791	11,879	11,186
Lease Liabilities	15	1,587	1,519	1,420
Employee Benefits	16	36,815	34,549	34,946
<b>Total Current Liabilities</b>		<b>68,579</b>	<b>63,573</b>	<b>62,605</b>
<b>Non-Current Liabilities</b>				
Borrowings	14	272,497	265,773	284,202
Lease Liabilities	15	11,287	2,196	987
Employee Benefits	16	1,578	2,827	1,588
Deferred Tax Liabilities	17(d)	103,970	53,259	63,273
<b>Total Non-Current Liabilities</b>		<b>389,332</b>	<b>324,055</b>	<b>350,050</b>
<b>Total Liabilities</b>		<b>457,911</b>	<b>387,628</b>	<b>412,655</b>
<b>Net Assets</b>		<b>622,974</b>	<b>509,498</b>	<b>511,961</b>
<b>Equity</b>				
Accumulated Funds		379,976	436,291	445,086
Asset Revaluation Surplus		242,998	73,207	66,875
<b>Total Equity</b>		<b>622,974</b>	<b>509,498</b>	<b>511,961</b>

The above Balance Sheet is to be read in conjunction with the accompanying notes.

TCO has only one output class and as such the above Balance Sheet is also TCO's Balance Sheet for the TCO Output Class.

# **Transport Canberra Operations** **Statement of Changes in Equity** **For the Year Ended 30 June 2023**

		Accumulated Funds Actual 2023 \$'000	Asset Revaluation Surplus Actual 2023 \$'000	Total Equity Actual 2023 \$'000	Total Equity Original Budget 2023 \$'000
	Note No.				
<b>Balance at 1 July 2022</b>		<b>445,086</b>	<b>66,875</b>	<b>511,961</b>	<b>499,037</b>
<b>Comprehensive Result</b>					
Operating Result		(28,163)	-	(28,163)	(33,818)
Increase in the Asset Revaluation Surplus		-	176,123	176,123	14,820
Deferred Tax Liability from Revaluation of Assets	17(c)	(52,837)	-	(52,837)	-
<b>Total Comprehensive Result</b>		<b>(81,000)</b>	<b>176,123</b>	<b>95,123</b>	<b>(18,998)</b>
<b>Transactions Involving Owners Affecting Accumulated Funds</b>					
Capital Payments from TCCS		15,890	-	15,890	29,459
<b>Total Transactions Involving Owners Affecting Accumulated Funds</b>		<b>15,890</b>	<b>-</b>	<b>15,890</b>	<b>29,459</b>
<b>Balance at 30 June 2023</b>		<b>379,976</b>	<b>242,998</b>	<b>622,974</b>	<b>509,498</b>

The above Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

**Transport Canberra Operations**  
**Statement of Changes in Equity – Continued**  
**For the Year Ended 30 June 2023**

	Note No.	Accumulated Funds Actual 2022 \$'000	Asset Revaluation Surplus Actual 2022 \$'000	Total Equity Actual 2022 \$'000
<b>Balance at 1 July 2021</b>		<b>445,161</b>	<b>66,875</b>	<b>512,036</b>
<b>Comprehensive Result</b>				
Operating Result		(25,764)	-	(25,764)
<b>Total Comprehensive Result</b>		<b>(25,764)</b>	<b>-</b>	<b>(25,764)</b>
<b>Transactions Involving Owners Affecting Accumulated Funds</b>				
Net Assets Transferred from MPC <sup>a</sup>		11,385	-	11,385
Capital Payments from TCCS		14,304	-	14,304
<b>Total Transactions Involving Owners Affecting Accumulated Funds</b>		<b>25,689</b>	<b>-</b>	<b>25,689</b>
<b>Balance at 30 June 2022</b>		<b>445,086</b>	<b>66,875</b>	<b>511,961</b>

The above Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

a) Net Assets Transferred from MPC relates to the Mitchell Light Rail Stop.

**Transport Canberra Operations**  
**Statement of Cash Flows**  
**For the Year Ended 30 June 2023**

	<b>Note No.</b>	<b>Actual 2023 \$'000</b>	<b>Original Budget 2023 \$'000</b>	<b>Actual 2022 \$'000</b>
<b>Cash Flows from Operating Activities</b>				
<b>Receipts</b>				
Contributions Receipts		210,878	205,344	205,204
Sales of Goods and Services from Contracts with Customers		22,962	30,024	16,425
Goods and Services Input Tax Credits from ATO		12,067	3,467	9,703
Goods and Services Tax Collected from Customers		4,152	3,006	3,379
Other		2,126	767	3,127
<b>Total Receipts from Operating Activities</b>		<b>252,185</b>	<b>242,608</b>	<b>237,838</b>
<b>Payments</b>				
Employee Payments		133,795	134,222	134,528
Supplies and Services		85,984	83,848	77,976
Borrowing Costs		16,161	17,379	10,947
Goods and Services Tax Remitted to ATO		4,127	3,006	3,399
Goods and Services Tax Paid to Suppliers		12,209	3,468	9,906
Other		318	374	318
<b>Total Payments from Operating Activities</b>		<b>252,594</b>	<b>242,297</b>	<b>237,074</b>
<b>Net Cash (Outflows)/Inflows from Operating Activities</b>	10	<b>(409)</b>	<b>311</b>	<b>764</b>
<b>Cash Flows from Investing Activities</b>				
<b>Receipts</b>				
Proceeds from Sale of Property, Plant and Equipment		4	-	62
<b>Total Receipts from Investing Activities</b>		<b>4</b>	<b>-</b>	<b>62</b>
<b>Payments</b>				
Purchase of Property, Plant and Equipment		238	4,098	1,399
Purchase of Capital Works in Progress		5,884	14,266	2,822
<b>Total Payments from Investing Activities</b>		<b>6,122</b>	<b>18,364</b>	<b>4,221</b>
<b>Net Cash (Outflows) from Investing Activities</b>		<b>(6,118)</b>	<b>(18,364)</b>	<b>(4,159)</b>

**Transport Canberra Operations**  
**Statement of Cash Flows – Continued**  
**For the Year Ended 30 June 2023**

	Note No.	Actual 2023 \$'000	Original Budget 2023 \$'000	Actual 2022 \$'000
<b>Cash Flows from Financing Activities</b>				
<b>Receipts</b>				
Capital Injections from TCCS		15,890	29,459	14,304
Carbon Neutral Fund Loan from the Environment, Planning and Sustainable Development Directorate (EPSDD)		180	-	-
<b>Total Receipts from Financing Activities</b>		<b>16,070</b>	<b>29,459</b>	<b>14,304</b>
<b>Payments</b>				
Repayment of Borrowings		74	443	102
Repayment of Lease Liabilities - Principal		1,721	594	1,535
Repayment of Service Concession Arrangement		11,040	11,095	10,446
<b>Total Payments from Financing Activities</b>		<b>12,835</b>	<b>12,132</b>	<b>12,083</b>
<b>Net Cash Inflows from Financing Activities</b>		<b>3,235</b>	<b>17,327</b>	<b>2,221</b>
<b>Net (Decrease) in Cash and Cash Equivalents</b>				
		<b>(3,292)</b>	<b>(726)</b>	<b>(1,174)</b>
Cash and Cash Equivalents at the Beginning of the Reporting Period		14,685	15,133	15,859
<b>Cash and Cash Equivalents at the End of the Reporting Period</b>	10	<b>11,393</b>	<b>14,407</b>	<b>14,685</b>

The above Statement of Cash Flows is to be read in conjunction with the accompanying notes.

# **Transport Canberra Operations**

## **Notes to and Forming Part of the Financial Statements**

### **For the Year Ended 30 June 2023**

#### **NOTE 1 OBJECTIVES OF THE DIRECTORATE**

##### **Legal Form and Principal Place of Business**

TCO is a public trading enterprise within the Transport Canberra and Business Services Division of TCCS. TCO is a separate reporting entity with its own financial information, strategic and accountability indicators.

##### **Operations and Principal Activities**

TCO delivers public transport services throughout the city. TCO services are delivered in line with the ACT Government's vision to provide a convenient, efficient, affordable, reliable and integrated public transport system for the community. Public transport services managed or delivered by TCO include scheduled light rail services, route bus services, school bus services, flexible bus services, special needs transport and management of the ACT rural school bus contract. In line with the objectives of the ACT Transport Strategy 2020 and the Zero Emission Transition Plan, TCO is progressing the transition to a zero-emissions bus fleet to deliver a modern public transport system that drives positive change for all Canberrans.

#### **NOTE 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS**

##### **Legislative Requirement**

The *Financial Management Act 1996* (FMA) requires the preparation of annual financial statements for TCO.

The FMA and the *Financial Management Guidelines* issued under the FMA, requires TCO's financial statements to include:

- (i) an Operating Statement for the reporting period;
- (ii) a Balance Sheet at the end of the reporting period;
- (iii) a Statement of Changes in Equity for the reporting period;
- (iv) a Statement of Cash Flows for the reporting period;
- (v) the material accounting policies adopted for the reporting period; and
- (vi) such other statements as necessary to fairly reflect the financial operations of TCO during the reporting period and its financial position at the end of the reporting period.

These general-purpose financial statements have been prepared in accordance with:

- (i) Australian Accounting Standards (as required by the FMA); and
- (ii) ACT Accounting and Disclosure Policies.

# **Transport Canberra Operations**

## **Notes to and Forming Part of the Financial Statements**

### **For the Year Ended 30 June 2023**

#### **NOTE 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS – CONTINUED**

##### **Going Concern**

At 30 June 2023, TCO's current liabilities (\$68.6 million) exceeded its current assets (\$19.4 million) by \$49.2 million. This is not considered to be a liquidity risk as TCO receives regular service payments from the ACT Government through TCCS. Furthermore, the current liabilities balance relates primarily to leave liabilities which are not all expected to be paid within 12 months.

The 2022-23 financial statements have been prepared on a going concern basis as TCO delivers essential public transport services to ACT residents and is funded in the 2023-24 Budget and the Budget Papers include forward estimates for TCO.

##### **COVID-19 Impact**

Since the COVID-19 pandemic, TCO has continued assessing the impact of the COVID-19 pandemic on the balances included in its financial statements. Significant variances compared to budget and the prior year resulting from the COVID-19 pandemic are explained within the relevant notes. TCO received additional contributions from TCCS to offset the reduction in fare revenue.

##### **Accrual Accounting**

The Financial Statements have been prepared using the accrual basis of accounting. The Financial Statements have also been prepared according to the historical cost convention, except for Property, Plant and Equipment, which are valued at fair value in accordance with valuation policies applicable to TCO during the reporting period.

##### **Currency**

These Financial Statements are presented in Australian dollars.

##### **Glossary**

Abbreviations used in the Financial Statements are based on the TCCS annual report glossary.

##### **Reporting Period**

These Financial Statements reflect the financial performance, changes in equity and cash flows of TCO for the year ended 30 June 2023 together with the financial position of TCO as at 30 June 2023.

##### **Rounding**

All amounts in the Financial Statements have been rounded to the nearest thousand dollars (\$'000).

**Transport Canberra Operations**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 3 IMPACT OF ACCOUNTING STANDARDS ISSUED BUT YET TO BE APPLIED**

All Australian Accounting Standards and Interpretations issued but yet to be applied are applicable to future reporting periods and will be adopted from their application date. TCO is currently assessing whether AASB 2022-10 will have a material financial impact on TCO (application date on or after 1 January 2024).

AASB 2022-10 amends AASB 13 by adding authoritative implementation guidance and providing related illustrative examples, for fair value measurements of non-financial assets of not-for-profit public sector agencies not held primarily for their ability to generate net cash inflows. The standard now:

- (a) specifies that TCO is required to consider whether the asset's highest and best use differs from its current use only when it is held for sale or held for distribution to owners in accordance with *AASB 5 Non-current Assets Held for Sale and Discontinued Operations* or it is highly probable that the asset will be used for an alternative purpose to its current use;
- (b) clarifies that the asset's use is 'financially feasible' if market participants would be willing to invest in the asset's service capacity, considering both the capability of the asset to be used to provide needed goods or services to beneficiaries and the resulting cost of those goods or services;
- (c) specifies that, if both the market selling price of a comparable asset and some market participant data required to measure the fair value of the asset are not observable, an agency uses its own assumptions as a starting point in developing unobservable inputs and adjusts those assumptions to the extent that reasonably available information indicates that other market participants (including, but not limited to, other not-for-profit public sector agencies) would use different data; and
- (d) provides guidance on how the cost approach is to be applied to measure the asset's fair value, including guidance on the nature of costs to include in the replacement cost of a reference asset and on the identification of economic obsolescence.

# **Transport Canberra Operations**

## **Notes to and Forming Part of the Financial Statements**

### **For the Year Ended 30 June 2023**

#### **INCOME NOTES**

##### **MATERIAL ACCOUNTING POLICIES - INCOME**

###### **Income Recognition**

Revenue is recognised in accordance with AASB 15 *Revenue from Contracts with Customers* where the contract is enforceable and contains sufficiently specific performance obligations, otherwise revenue is in the scope of AASB 1058 *Income of Not-for-Profit Entities*.

#### **NOTE 4 SALES OF GOODS AND SERVICES FROM CONTRACTS WITH CUSTOMERS**

##### **Description and Material Accounting Policies relating to the Sale of Goods and Services**

TCO has undertaken a review to determine whether the goods and services it provides need to be classified as revenue from contracts with customers in accordance with AASB 15. This review involved obtaining information about contracts and other arrangements to make an assessment about whether any of these arrangements fall within the scope of AASB 15. TCO then assessed its revenue from contracts with customers to determine the timing and nature of the satisfaction of performance obligations.

TCO earns revenue from providing goods and services to other ACT Government agencies and to the public. Revenue is based on the transfer of promised goods or services to customers at an amount that reflects the consideration in exchange for those goods or services. Revenue is recognised by applying a five-step model under AASB 15.

1. Identify the contract with the customer;
2. Identify the performance obligations;
3. Determine the transaction price;
4. Allocate the transaction price; and
5. Recognise revenue as or when control of the performance obligation is transferred to the customer.

The timing of the payment for sale of goods and rendering of services largely corresponds with the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability. TCO does not offer volume discounts to its customers.

Fare revenue is recognised from the provision of public transport services. The performance obligation is the provision of public transport services to a customer. TCO meets its performance obligation and records fares revenue when customers pay cash fares or tap MyWay cards on buses and light rail.

Advertising revenue is generated from advertising displayed on buses and light rail vehicles. The performance obligation is the display of the advertisements. Advertising is managed by third party providers and revenue is recognised when the advertisement is placed on buses and light rail vehicles.

**Transport Canberra Operations**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 4 SALES OF GOODS AND SERVICES FROM CONTRACTS WITH CUSTOMERS – CONTINUED**

Charter revenue is derived from the provision of special transport services to customers. The performance obligation is the provision of the transport services to a customer. Charter revenue is recognised when the transport service is provided to a customer.

None of TCO's revenue streams have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Fares <sup>a</sup>	21,252	14,054
Advertising	1,215	1,139
Charter	158	97
<b>Total Sales of Goods and Services from Contracts with Customers</b>	<b>22,625</b>	<b>15,290</b>

- a) Since the commencement of the COVID-19 pandemic TCO has experienced a material decrease in public transport fare revenue. However, after the lockdown was lifted in November 2021 and people have returned to school and work, public transport patronage has slowly recovered. Given the continuation of flexible working arrangements post the pandemic, there is still a large number of people working partly or fully from home which has resulted in lower numbers of the public accessing public transport over the current financial year. The increase (\$7.2 million) is mainly due to more passengers using public transport in 2022-23.

# **Transport Canberra Operations**

## **Notes to and Forming Part of the Financial Statements**

### **For the Year Ended 30 June 2023**

#### **NOTE 5 CONTRIBUTIONS REVENUE**

##### **Description and Material Accounting Policies relating to Grants and Contributions Revenue**

##### **Contributions Accounting Policy**

TCO has determined that revenues associated with Resources Received Free of Charge do not contain sufficiently specific performance obligations for recognising revenue from contracts with customers under AASB 15. This is because TCO is not required to provide an equal amount in return for the consideration received. As such, AASB 1058 has been applied for recognising this revenue.

Revenue is generally recognised based on the asset received (generally cash or other financial asset) at fair value, except for Concessional Travel Payments which are recorded when TCO has unconditional right to receive the subsidy for providing discounted travel rates.

When TCO receives an asset or services for significantly less than fair value, revenue is recognised on receipt of the asset / services. Where services are received, the expense is recognised in the line item to which it relates.

All the services listed below are recognised in the Operating Statement or Balance Sheet as appropriate as services received free of charge given they are reliably measurable and would have been purchased if not provided to the Agency free of charge.

##### **Resources Received Free of Charge**

Legal Services were received free of charge from GSO for their legal advice relating to procurement contracts and accident claims. The GSO provided TCO with the fair value of the services provided free of charge.

TCO is required by the ACT Government to use SS for its financial and HR processing. SS is part of CMTEDD. Given SS is directly appropriated by the ACT Government to provide certain services at a fixed cost to TCO, it means that TCO does not have to pay for these services.

MPC provides procurement and infrastructure delivery services to TCO free of charge. MPC is directly appropriated to deliver these services and as such, TCO is required to use these services. The fair value of these services provided are capitalised on the Balance Sheet as they are directly attributable to the creation of the assets for which the service is provided.

##### **Other Contributions**

Service Payments from TCCS are made for TCO to provide public transport services to the community. This is a contribution from the ACT Government for TCO's operations and does not have any performance obligations. TCO records contributions upon receipt of cash.

TCO received concessional travel payments through CMTEDD for providing discounted travel to the public. Discounted travel rates include student fares and other concession fares. The amounts recorded are calculated based on actual discounted travel recorded in the ticketing system.

Asset Contributions relate to assets received by TCO from other entities. TCO records the value of assets based on information received from the transferring entity.

**Transport Canberra Operations**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 5 CONTRIBUTIONS REVENUE – CONTINUED**

	2023 \$'000	2022 \$'000
<b>Resources Received Free of Charge</b>		
Legal and Other Services	149	160
Contributions from CMTEDD	318	105
Financial Services provided by SS	474	478
Human Resources Services provided by SS	935	904
Record Management Services provided by the TRO	4	6
Project Management Services provided by MPC	130	82
<b>Total Resources Received Free of Charge</b>	<b>2,010</b>	<b>1,735</b>
<b>Other Contributions</b>		
Service Payments from TCCS Directorate <sup>a</sup>	204,767	201,085
Concessional Travel Payments <sup>b</sup>	6,226	3,898
Asset Contributions from other Directorates	166	106
<b>Total Other Grants and Contributions</b>	<b>211,159</b>	<b>205,089</b>
<b>Total Grants and Contributions</b>	<b>213,169</b>	<b>206,824</b>

- a) The increase (\$3.7 million) is mainly due to additional funding received from TCCS to offset the reduction in public transport fare revenue.
- b) The increase (\$2.3 million) is mainly due to more concession card holders using public transport post COVID-19.

# **Transport Canberra Operations**

## **Notes to and Forming Part of the Financial Statements**

### **For the Year Ended 30 June 2023**

#### **EXPENSE NOTES**

#### **NOTE 6 EMPLOYEE EXPENSES**

##### **Description and Material Accounting Policies Relating to Employee Expenses**

Employee benefits include:

- short-term employee benefits such as wages and salaries, annual leave loading, non-monetary benefits (e.g. vehicles) and applicable on-costs, if expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related services;
- other long-term benefits such as long service leave and annual leave; and
- termination benefits.

On-costs include annual leave, long service leave, superannuation and other costs that are incurred when employees take annual leave and long service leave.

Employees of TCO will have different superannuation arrangements due to the type of superannuation scheme available at the time of commencing employment, including both defined benefit and defined contribution superannuation scheme arrangements. For employees who are members of the defined benefit Commonwealth Superannuation Scheme (CSS) and Public Sector Superannuation Scheme (PSS) TCO makes employer superannuation contribution payments to the Territory Banking Account at a rate determined by CMTEDD. TCO also makes productivity superannuation contribution payments on behalf of these employees to the Commonwealth Superannuation Corporation, which is responsible for administration of the schemes.

For employees who are members of defined contribution superannuation schemes (the Public Sector Superannuation Scheme Accumulation Plan (PSSAP) and schemes of employee choice), TCO makes employer superannuation contribution payments directly to the employees' relevant superannuation fund.

All defined benefit employer superannuation contributions are recognised as expenses on the same basis as the employer superannuation contributions made to defined contribution schemes. The accruing superannuation liability obligations are expensed as they are incurred and extinguished as they are paid.

**Transport Canberra Operations**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 6 EMPLOYEE EXPENSES - CONTINUED**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Wages and Salaries <sup>a</sup>	102,971	101,635
Workers' Compensation Insurance Premium <sup>b</sup>	3,056	4,644
Payroll Tax	8,528	8,292
Annual Leave Expense <sup>c</sup>	2,289	4,636
Long Service Leave Expense <sup>d</sup>	1,486	502
Superannuation to External Providers	8,674	8,282
Superannuation Contributions to the Territory Banking Account	5,778	6,301
Productivity Benefit	622	655
Other Employee Benefits and On-Costs <sup>e</sup>	2,250	946
<b>Total Employee Expenses</b>	<b>135,654</b>	<b>135,893</b>

- a) The increase (\$1.3 million) is mainly due to salary increases under the proposed enterprise agreements.
- b) The decrease (\$1.6 million) is due to a reduction in the premium in 2022-23.
- c) The decrease (\$2.3 million) is mainly due to a decrease in the rate used to estimate the present value of Annual Leave liabilities from 101.1% to 98.2%, an increase in leave taken and fewer staff employed as at 30 June 2023; partially offset by higher salary rates under the proposed enterprise agreements.
- d) The increase (\$1.0 million) is mainly due to higher salary rates under the proposed enterprise agreements and an increase in the rate used to estimate the present value of Long Service Leave liabilities from 92.8% to 93.0%.
- e) The increase (\$1.3 million) is mainly due to one-off cost of living supplement payment under the proposed enterprise agreement.

# Transport Canberra Operations

## Notes to and Forming Part of the Financial Statements

### For the Year Ended 30 June 2023

#### NOTE 7 SUPPLIES AND SERVICES

##### Description and Material Accounting Policies Relating to Supplies and Services

###### *General - Supplies and Services*

Purchases of Supplies and Services generally represent the day-to-day running costs incurred in normal operations, recognised in the reporting period in which these expenses are incurred.

	2023 \$'000	2022 \$'000
Service Concession Arrangement - Service Payments <sup>a</sup>	27,942	26,696
Fuel <sup>b</sup>	22,365	18,023
Bus Maintenance and Other Running Expenses <sup>c</sup>	10,881	9,772
Insurance	4,676	4,728
Special Needs Transport and Rural Schools Service Payments	4,653	4,334
Building and Facilities Operating Costs	3,519	4,412
Contractors and Consultants <sup>d</sup>	7,320	4,240
Information Technology and Telecommunications	2,550	2,817
Finance, Procurement and Human Resources Service Charges	1,409	1,382
Support Vehicles and Fuel Charges	659	1,015
Audit Fees to the ACT Audit Office	165	165
Other <sup>e</sup>	3,147	1,950
<b>Total Supplies and Services</b>	<b>89,286</b>	<b>79,534</b>

- a) The increase (\$1.2 million) is mainly due to indexation of the cost of delivery services under the contract and additional running costs for light rail services in 2022-23.
- b) The increase (\$4.3 million) is due to an increase in diesel costs.
- c) The increase (\$1.1 million) is due to the maintenance schedule resuming to a more normal pattern post COVID-19.
- d) The increase (\$3.1 million) is due to higher consultant costs to support the transition to a zero-emission bus fleet.
- e) The increase (\$1.2 million) is mainly due to promotions and campaigns to build stronger and better transport and active travel and restore community confidence in using public transport.

**Transport Canberra Operations**  
**Notes to and Forming Part of the Financial Statements**  
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**NOTE 8 BORROWING COSTS**

**Description and Material Accounting Policies Relating to Borrowing Costs**

All borrowing costs, including those that are directly attributable to the acquisition, construction, or production of a qualifying asset, are expensed in the period in which they are incurred.

Service Concession Arrangement Financial Costs relate to interest for the light rail service concession arrangement assets.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Service Concession Arrangement Financial Costs <sup>a</sup>	15,939	10,860
Interest on Lease Liabilities	222	87
<b>Total Borrowing Costs</b>	<b>16,161</b>	<b>10,947</b>

- a) The increase (\$5.1 million) is mainly due to the refinancing of the service concession financial liability at a higher interest rate. For more information in relation to service concession arrangements refer to Note 13 - 'Service Concession Arrangement'.

**Transport Canberra Operations**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 9    IMPAIRMENT LOSSES AND WRITE-OFFS**

**Description and Material Accounting Policies relating to Impairment Losses and Write-Offs**

*Impairment Losses – Non-Financial Assets*

Under Section 131 of the *Financial Management Act 1996* (FMA) the Treasurer may, in writing, waive Impairment loss expenses recognised for inventories when their carrying amount is higher than their recoverable amount, with the difference between the two being the amount of the impairment loss. Impairment losses for inventories are recognised as an expense in the Operating Statement.

*Impairment Losses and Write-Offs – Accounts Receivables*

A matrix is used to calculate the amount of lifetime expected credit loss which factors practical and justifiable forward-looking information, including forecast economic changes expected to impact TCO receivables. This method is based on the possibility of default events occurring over the lifetime of the loans.

Impairment losses and write-offs are included in other expenses.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Impairment Losses</b>		
Expected Credit Loss Expense	11	10
Impairment Loss from Receivables	<u>11</u>	<u>10</u>
Inventory	-	122
Impairment Loss from Inventory	<u>-</u>	<u>122</u>
<b>Total Impairment Losses</b>	<u>11</u>	<u>132</u>
<b>Total Impairment Losses and Write-Offs</b>	<u><u>11</u></u>	<u><u>132</u></u>

# Transport Canberra Operations

## Notes to and Forming Part of the Financial Statements

### For the Year Ended 30 June 2023

## ASSETS NOTES

### MATERIAL ACCOUNTING POLICIES - ASSETS

#### Assets – Current and Non-Current

Assets are classified as current where they are expected to be realised within 12 months after the reporting date. Assets which do not fall within the current classification are classified as non-current.

### NOTE 10 CASH AND CASH EQUIVALENTS

#### Description and Material Accounting Policies relating to Cash and Cash Equivalents

TCO holds one bank account with the Westpac Banking Corporation as part of the whole of government banking arrangements. As part of these arrangements, TCO does not receive interest on these accounts, as all the accounts held are Set-Off Accounts.

Cash includes cash at bank and cash on hand.

#### (a) Cash and Cash Equivalents

	2023 \$'000	2022 \$'000
Cash at Bank <sup>a</sup>	11,072	14,394
Cash on Hand	321	291
<b>Total Cash and Cash Equivalents</b>	<b>11,393</b>	<b>14,685</b>

a) The decrease (\$3.3 million) is mainly related to the timing of capital works payments during the year.

#### (b) Reconciliation of Cash and Cash Equivalents at the End of the Reporting Period in the Statement of Cash Flows to the Equivalent Items in the Balance Sheet

Cash and Cash Equivalents at the End of the Reporting Period as Recorded in the Statement of Cash Flows	11,393	14,685
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#### (c) Reconciliation of Operating Result to Net Cash Inflows from Operating Activities

Operating Result	(28,163)	(25,764)
<b>Add/(Less) Non-Cash Items</b>		
Depreciation and Amortisation	32,776	32,895
Expensing of Capital Works in Progress	4,281	2,258
Carbon Neutral Loan Interest	19	-
Income Tax Equivalents (Income)	(12,141)	(11,112)
Net Assets transferred (from) Other ACT Government Entities	(166)	(105)
<b>Add/(Less) Items Classified as Investing or Financing</b>		
Net (Gain) on Disposal of Assets	(4)	(62)
Retention Monies for Capital Works	(44)	34
Capital Works in Progress Accrued	-	(17)
<b>Cash Before Changes in Operating Assets and Liabilities</b>	<b>(3,442)</b>	<b>(1,873)</b>

**Transport Canberra Operations**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 10 CASH AND CASH EQUIVALENTS – CONTINUED**

	2023 \$'000	2022 \$'000
<b>(c) Reconciliation of Operating Result to Net Cash Inflows from Operating Activities - Continued</b>		
<b>Changes in Operating Assets and Liabilities</b>		
(Increase)/Decrease in Receivables	(1,061)	619
(Increase)/Decrease in Inventories	(683)	78
(Increase)/Decrease in Other Assets	(416)	38
Increase in Payables	3,333	539
Increase in Employee Benefits	1,860	1,363
<b>Net Changes in Operating Assets and Liabilities</b>	<b>3,033</b>	<b>2,637</b>
<b>Net Cash (Outflows)/ Inflows from Operating Activities</b>	<b>(409)</b>	<b>764</b>

**(d) Reconciliation of liabilities arising from financing activities**

	Borrowings \$'000	Lease Liabilities \$'000	Service Concession Arrangement Financial Liability \$'000
<b>2023</b>			
Carrying Amount at the Beginning of the Reporting Period	1,150	2,407	294,238
Cash Flow Changes:			
Cash Received	180	-	-
Cash Paid	(74)	(1,721)	(11,040)
Non-Cash Changes:			
New Leases	-	12,133	-
Other Movements	(111)	55	(55)
<b>Carrying Amount at the End of the Reporting Period</b>	<b>1,145</b>	<b>12,874</b>	<b>283,143</b>
<b>2022</b>			
Carrying Amount at the Beginning of the Reporting Period	1,252	3,715	304,684
Cash Flow Changes:			
Cash Paid	(102)	(1,534)	(10,446)
Non-Cash Changes:			
New Leases	-	226	-
<b>Carrying Amount at the End of the Reporting Period</b>	<b>1,150</b>	<b>2,407</b>	<b>294,238</b>

# Transport Canberra Operations

## Notes to and Forming Part of the Financial Statements

### For the Year Ended 30 June 2023

#### NOTE 11 PROPERTY, PLANT AND EQUIPMENT

##### Description and Material Accounting Policies relating to Property, Plant and Equipment

TCO has the following six classes of Property, Plant and Equipment:

- **Land** is defined as the ground, including the soil covering and any associated surface waters. Land includes leasehold land at Tuggeranong, Woden, Belconnen and Mitchell depots, but excludes land under infrastructure.
- **Buildings** are structures that have a roof and walls which stand permanently in one place. These structures are separately identifiable from the land they are constructed upon and as such do not include this land. Buildings include light rail buildings, bus depots and land improvements. Service concession building assets are included within the building asset class. This includes the Public Private Partnership arrangement for the Light Rail building being included as a service concession asset. Land improvements includes parking lots and retaining walls.
- **Buses** represents TCO fleet vehicles used in the service of the bus network. Right-of-Use buses are included within the bus asset class. It has the same definition, with the exception that they are held under a lease.
- **Plant and Equipment** are tangible assets including mobile plant, air conditioning and heating systems, office and computer equipment, furniture and fittings, motor vehicles, other buses, light rail vehicles (rolling stock), light rail maintenance equipment, and other mechanical and electronic equipment. Right-of-Use plant and equipment assets and service concession plant and equipment assets are included within the plant and equipment asset class. Plant and Equipment are used by TCO to assist in providing services to the community.
- **Infrastructure Assets** are physical assets that typically have a long useful life and consist of a complex interconnected network of individual components, which enhance the productive capacity of the economy and supports Government services. TCO holds service concession light rail infrastructure assets that includes tracks, overhead wiring and poles, signalling and traffic control systems, electricity substations and light rail stops, that are included within the infrastructure asset class. Land under infrastructure is not included in the infrastructure asset class.
- **Other Assets** includes a heritage bus owned by TCO and fit-out in a leased building.

##### Acquisition and Recognition

Property, Plant and Equipment is initially recorded at cost. Right-of-Use assets are also measured at cost on initial recognition, where cost comprises the initial amount of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received. However, TCO initially recognises service concession assets at current replacement cost in accordance with the cost approach to fair value in AASB 13 *Fair Value Measurement*.

Where Property, Plant and Equipment are acquired at no cost or minimal cost, cost is its fair value as at the date of acquisition. However, Property, Plant and Equipment acquired at no cost or minimal cost as part of a restructuring of administrative arrangements is measured at the transferor's book value.

# **Transport Canberra Operations**

## **Notes to and Forming Part of the Financial Statements**

### **For the Year Ended 30 June 2023**

#### **NOTE 11 PROPERTY, PLANT AND EQUIPMENT – CONTINUED**

##### **Acquisition and Recognition – Continued**

As of 30 June 2023, TCO had 465 owned buses and 18 Right-of-Use buses. In 2022-23, TCO entered into one 10-year leasing arrangement for the supply of 26 diesel buses, and four 5-year hire purchases for the supply of 16 battery electric buses and charging equipment from suppliers. A contract was also executed for the purchase of a further 90 battery electric buses, to be delivered over the next three years. Relating to this arrangement, as of 30 June 2023, 12 zero-emission buses, 6 charging units and supporting infrastructure and 6 diesel buses have been delivered and commissioned and are in operation in Transport Canberra's network. These buses are recognised as Right-of-Use buses under AASB 16 *Leases* and are measured at cost upon initial recognition, where cost comprises the initial amount of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The capitalisation threshold for Property, Plant and Equipment is \$5,000.

##### **Measurement After Initial Recognition**

Property, Plant and Equipment is valued using the cost or revaluation model of valuation and measured at fair value. The fair value of service concession assets measured using the revaluation model is determined based on current replacement cost. After the commencement date, all right-of-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of the lease liability. Right-of-Use assets recognised under AASB 16 *Leases* are disclosed under the relevant class of Property, Plant and Equipment.

Assets at fair value are revalued every three years. Towards the end of each financial year TCO assesses whether there are any 'indicators' that the carrying amount of their Property, Plant and Equipment is materially different to fair value. Where these indicators exist, the asset will be revalued regardless of when the last valuation took place. Any accumulated depreciation at the date of revaluation is written back against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

TCO's Property, Plant and Equipment assets are revalued on a three year schedule. AON Valuation Services, an independent valuer, has performed all revaluations of the TCO's Property, Plant and Equipment assets. The latest valuation of Plant and Equipment and Heritage assets was performed as at 30 June 2021. The latest valuation of Service Concession Assets, Land and Buildings and Buses was performed as at 30 June 2023.

##### **Significant Judgements and Estimates**

*Impairment of Non-Current Assets:* TCO has made a significant judgement regarding its impairment of its non-current assets by undertaking a process of reviewing any likely impairment factors by completing an impairment checklist. Where an impairment factor is identified the value of the impairment is recognised against the available carrying amount for the relevant asset class in the Asset Revaluation Surplus. Where the impairment loss is greater than the balance in the Asset Revaluation Surplus for the relevant class of asset, the difference is expensed in the Operating Statement. Any impairment loss on a non-revalued asset is expensed in the Operating Statement.

Non-financial assets that have previously been impaired are reviewed for possible reversal of impairment at each reporting date.

# Transport Canberra Operations

## Notes to and Forming Part of the Financial Statements

### For the Year Ended 30 June 2023

#### NOTE 11 PROPERTY, PLANT AND EQUIPMENT – CONTINUED

##### Significant Judgements and Estimates – Continued

*Accounting for Components of Buses and Light Rail Vehicles:* TCO has made a significant judgement regarding the recognition and depreciation of each bus and light rail vehicle, including its significant components. TCO has assessed that the useful lives of significant components of each bus and light rail vehicle, such as the engine and transmission, are the same as the main component, the chassis. Therefore, TCO accounts for each bus and light rail vehicle, including all significant components, as one asset and depreciates it over the assessed useful life or the leased term, whichever is shorter.

**Depreciation and Useful Life:** Depreciation is the systematic allocation of the cost of an asset less its residual value over its useful life.

Depreciation is applied to physical assets such as Buildings, Leasehold Improvements, Buses, Plant and Equipment and Infrastructure assets. Land and Heritage assets have an unlimited useful life and are therefore not depreciated.

Right-of-Use Plant and Equipment are depreciated over the estimated useful life of each asset, or the unexpired period of the relevant lease, whichever is shorter.

All depreciation is calculated after first deducting any residual values which remain for each asset.

Depreciation and amortisation for non-current assets is determined as follows:

Class of Asset	Depreciation/ Amortisation Method	Useful Life (Years)
Buildings	Straight-line	8-49
Leasehold Improvements	Straight-line	5-10
Buses	Straight-line	5-20
Plant and Equipment	Straight-line	2-29
Infrastructure Assets	Straight-line	49-50

TCO has made a significant estimate in determining the useful lives of its Property, Plant and Equipment. The estimation of useful lives of Property, Plant and Equipment has been based on the historical experience of similar assets and in some cases has been based on advice provided by AON. The useful lives are re-assessed on an annual basis and any adjustments are made when considered necessary.

**Transport Canberra Operations**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 11 PROPERTY, PLANT AND EQUIPMENT – CONTINUED**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Land</b>		
Land at Fair Value	63,904	45,663
<b>Total Land <sup>a</sup></b>	<b>63,904</b>	<b>45,663</b>
<b>Buildings</b>		
<b><i>Owned Buildings</i></b>		
Buildings at Fair Value	15,364	17,892
Less: Accumulated Depreciation	(1)	(2,580)
<b><i>Total Owned Buildings</i></b>	<b>15,363</b>	<b>15,312</b>
<b><i>Service Concession Arrangement - Buildings</i></b>		
Service Concession Arrangement - Buildings at Fair Value	92,075	84,040
Less: Accumulated Depreciation	-	(3,442)
<b><i>Total Service Concession Arrangement - Buildings <sup>a</sup></i></b>	<b>92,075</b>	<b>80,598</b>
<b>Total Buildings</b>	<b>107,438</b>	<b>95,910</b>
<b>Buses</b>		
<b><i>Owned Buses</i></b>		
Buses at Fair Value	107,636	130,018
Less: Accumulated Depreciation	(84)	(19,764)
<b><i>Total Owned Buses <sup>b</sup></i></b>	<b>107,552</b>	<b>110,254</b>
<b><i>Right-of-Use Buses</i></b>		
Right-of-Use Buses at Cost	11,425	-
Less: Accumulated Depreciation	(284)	-
<b><i>Total Right-of-Use Buses <sup>c</sup></i></b>	<b>11,141</b>	<b>-</b>
<b>Total Buses</b>	<b>118,693</b>	<b>110,254</b>

**Transport Canberra Operations**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 11 PROPERTY, PLANT AND EQUIPMENT – CONTINUED**

	2023 \$'000	2022 \$'000
<b>Plant and Equipment</b>		
<b><i>Owned Plant and Equipment</i></b>		
Plant and Equipment at Fair Value	16,620	16,812
Less: Accumulated Depreciation	(4,579)	(2,581)
<b><i>Total Owned Plant and Equipment</i></b>	<b>12,041</b>	<b>14,231</b>
<b><i>Right-of-Use Plant and Equipment</i></b>		
Right-of-Use Plant and Equipment at Cost	6,100	5,391
Less: Accumulated Depreciation	(4,466)	(3,043)
<b><i>Total Right-of-Use Plant and Equipment</i></b>	<b>1,634</b>	<b>2,348</b>
<b><i>Service Concession Arrangement - Plant and Equipment</i></b>		
Service Concession Arrangement - Plant and Equipment at Fair Value <sup>a</sup>	219,000	176,376
Less: Accumulated Depreciation	-	(12,227)
<b><i>Total Service Concession Arrangement - Plant and Equipment</i></b>	<b>219,000</b>	<b>164,149</b>
<b>Total Plant and Equipment</b>	<b>232,675</b>	<b>180,728</b>
<b>Infrastructure Assets</b>		
<b><i>Service Concession Arrangement - Infrastructure Assets</i></b>		
Service Concession Arrangement - Infrastructure Assets at Fair Value <sup>a</sup>	533,472	487,202
Less: Accumulated Depreciation	-	(19,658)
<b><i>Total Service Concession Arrangement - Infrastructure Assets</i></b>	<b>533,472</b>	<b>467,544</b>
<b>Other Assets</b>		
Heritage Asset at Fair Value	20	20
Leasehold Improvements at Fair Value	245	273
Less: Accumulated Depreciation	-	(62)
<b>Total Other Assets</b>	<b>265</b>	<b>231</b>
<b>Total Property, Plant and Equipment</b>	<b>1,056,447</b>	<b>900,330</b>

- a) The increase is due to a revaluation increment of the service concession assets. Refer to Reconciliation of Property, Plant and Equipment for more information.
- b) The decrease (\$2.7 million) is mainly due to the depreciation for the year.
- c) The increase (\$11.1 million) is due to new leasing arrangements of six diesel buses, 12 zero-emission buses, six charging units and supporting infrastructure. These buses are recognised as Right-of-Use buses under AASB 16 Leases and are measured at cost upon initial recognition.

For more information in relation to service concession arrangements refer to Note 13 - 'Service Concession Arrangement'.

**Transport Canberra Operations**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 11 PROPERTY, PLANT AND EQUIPMENT – CONTINUED**

**Reconciliation of Property, Plant and Equipment**

		Land	Buildings	Buses	Plant and Equipment	Infrastructure	Other	Total
		\$'000	\$'000	\$'000	\$'000	Assets	Assets	\$'000
<b>2023</b>								
<b>Carrying Amount at the Beginning of the Reporting Period</b>		<b>45,663</b>	<b>95,910</b>	<b>110,254</b>	<b>180,728</b>	<b>467,544</b>	<b>231</b>	<b>900,330</b>
Additions		-	273	11,655	814	-	-	12,740
Revaluation Increment recognised in Other Comprehensive Income		18,241	14,284	6,610	61,049	75,900	37	176,123
Depreciation		-	(3,029)	(9,826)	(9,916)	(9,972)	(33)	(32,776)
Transfer from TCCS		-	-	-	-	-	30	30
<b>Carrying Amount at the End of the Reporting Period</b>		<b>63,904</b>	<b>107,438</b>	<b>118,693</b>	<b>232,675</b>	<b>533,472</b>	<b>265</b>	<b>1,056,447</b>
<b>2022</b>								
<b>Carrying Amount at the Beginning of the Reporting Period</b>		<b>45,663</b>	<b>98,361</b>	<b>120,017</b>	<b>189,331</b>	<b>466,073</b>	<b>258</b>	<b>919,703</b>
Additions		-	468	-	1,781	-	-	2,249
Depreciation		-	(3,025)	(9,763)	(10,119)	(9,914)	(27)	(32,848)
Disposals		-	-	-	(113)	-	-	(113)
Transfer from TCCS		-	106	-	-	-	-	106
Transfer from MPC		-	-	-	-	11,385	-	11,385
Other Movements		-	-	-	(152)	-	-	(152)
<b>Carrying Amount at the End of the Reporting Period</b>		<b>45,663</b>	<b>95,910</b>	<b>110,254</b>	<b>180,728</b>	<b>467,544</b>	<b>231</b>	<b>900,330</b>

**Transport Canberra Operations**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 11 PROPERTY, PLANT AND EQUIPMENT – CONTINUED**

**Fair Value Hierarchy**

The Fair Value Hierarchy below reflects the significance of the inputs used in determining fair value. The Fair Value Hierarchy is made up of the following three levels:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets that TCO can access at the measurement date;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for assets, either directly or indirectly; and
- Level 3 – inputs that are unobservable for particular assets or liabilities.

Details of TCO's Property, Plant and Equipment at fair value and information about the Fair Value Hierarchy are as follows:

	<b>Classification According to the Fair Value Hierarchy</b>		
	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>2023</b>			
<b>Property, Plant and Equipment at Fair Value</b>			
Land	63,904	-	63,904
Buildings	-	107,438	107,438
Buses	-	107,552	107,552
Leasehold Improvements	-	245	245
Plant and Equipment	141	230,900	231,041
Infrastructure Assets	-	533,472	533,472
Other Assets	20	-	20
<b>Total Fair Value</b>	<b>64,065</b>	<b>979,607</b>	<b>1,043,672</b>

	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>2022</b>			
<b>Property, Plant and Equipment at Fair Value</b>			
Land	45,663	-	45,663
Buildings	-	95,910	95,910
Buses	92	110,162	110,254
Plant and Equipment	141	178,239	178,380
Infrastructure Assets	-	467,544	467,544
Other Assets	20	211	231
<b>Total Fair Value</b>	<b>45,916</b>	<b>852,066</b>	<b>897,982</b>

# **Transport Canberra Operations**

## **Notes to and Forming Part of the Financial Statements**

### **For the Year Ended 30 June 2023**

#### **NOTE 11 PROPERTY, PLANT AND EQUIPMENT – CONTINUED**

##### **Transfers Between Categories**

There have been no transfers between Levels 2 and 3 during the current and previous reporting period.

##### **Valuation Techniques, Inputs and Processes**

###### *Level 3 Valuation Techniques and Significant Unobservable Inputs*

###### Buildings

Valuation Technique: Buildings were considered specialised and measured using the cost approach.

Significant Unobservable Inputs: in determining the value of Buildings regard was given to the age and condition of the assets, their estimated replacement cost and current use.

###### *Combined Level 2 and Level 3 Techniques and Inputs*

###### Land

Valuation Technique: the valuation technique used to value Land is the market approach that reflects transaction prices for similar properties (comparable in location and size).

Observable and Unobservable Inputs: prices and other relevant information generated by market transactions involving comparable land were considered.

###### Buses

Valuation Technique: valuation for Buses uses both the market and cost techniques, depending on the age and type of bus.

Observable and Unobservable Inputs: depending on the existence or absence of secondary market activity for compressed natural gas (CNG) buses or diesel buses less than or greater than nine years old, either at replacement cost or secondary market value.

###### Plant and Equipment

Valuation Technique: valuation for Plant and Equipment is predominantly measured using the market valuation approach where a secondary sales market is shown to exist. Specialised Plant and Equipment such as light rail vehicles, fuel installations, closed-circuit television and spray booths are measured at fair value using the depreciated replacement cost.

Observable and Unobservable Inputs: in determining the value of Plant and Equipment regard was given to the existence of a secondary sales market involving assets comparable in age and condition. Where there is an absence of a secondary sales market, consideration is given to the age and condition of the assets, their estimated replacement cost and current use.

###### Infrastructure Assets

Valuation Technique: Infrastructure Assets were considered specialised assets by the Valuer and measured using cost approach.

Significant Unobservable Input: estimating the cost for a market participant to construct assets of comparable utility adjusted for obsolescence.

There has been no change to the above valuation techniques during the reporting period.

Transfers in and out of a fair value level are recognised on the date of the event or change in circumstances that caused the transfer.

**Transport Canberra Operations**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 11 PROPERTY, PLANT AND EQUIPMENT – CONTINUED**

Fair Value Measurements using Significant Unobservable Inputs (Level 3)

2023	Buildings \$'000	Buses \$'000	Plant and Equipment \$'000	Infrastructure Assets \$'000	Other Assets \$'000	Total \$'000
<b>Fair Value at the Beginning of the Reporting Period</b>	<b>95,910</b>	<b>110,162</b>	<b>178,239</b>	<b>467,544</b>	<b>211</b>	<b>852,066</b>
Additions	273	230	105	-	-	608
Revaluation Increment Recognised in Other Comprehensive Income	14,284	6,610	61,049	75,900	37	157,880
Depreciation	(3,029)	(9,450)	(8,493)	(9,972)	(33)	(30,977)
Transfers from TCCS	-	-	-	-	30	30
<b>Fair Value at the End of the Reporting Period</b>	<b>107,438</b>	<b>107,552</b>	<b>230,900</b>	<b>533,472</b>	<b>245</b>	<b>979,607</b>
<b>2022</b>						
<b>Fair Value at the Beginning of the Reporting Period</b>	<b>98,361</b>	<b>119,621</b>	<b>185,523</b>	<b>466,073</b>	<b>238</b>	<b>869,816</b>
Additions	469	-	1,441	-	-	1,910
Depreciation	(3,025)	(9,459)	(8,572)	(9,914)	(27)	(30,997)
Transfer from TCCS	105	-	-	-	-	105
Transfer from MPC	-	-	-	11,385	-	11,385
Other Movements	-	-	(153)	-	-	(153)
<b>Fair Value at the End of the Reporting Period</b>	<b>95,910</b>	<b>110,162</b>	<b>178,239</b>	<b>467,544</b>	<b>211</b>	<b>852,066</b>

# Transport Canberra Operations

## Notes to and Forming Part of the Financial Statements

### For the Year Ended 30 June 2023

#### LIABILITIES NOTES

##### MATERIAL ACCOUNTING POLICIES - LIABILITY

##### Liabilities – Current and Non-Current

Liabilities are classified as current when they are due to be settled within 12 months after the reporting date or TCO does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Liabilities which do not fall within the current classification are classified as non-current.

#### NOTE 12 PAYABLES

##### Description and Material Accounting Policies relating to Payables

##### Payables

Payables are initially recognised at fair value based on the transaction cost and subsequently at amortised cost, with any adjustments to the carrying amount being recorded in the Operating Statement. All amounts are normally settled within 14 days after the invoice date or the receipt of goods and services, or within agreed payment terms.

##### Contract Liabilities

A contract liability is recorded when an amount of consideration is received from a customer prior to TCO transferring a good or service to the customer.

Members of the public can pay cash upon entering a bus or can pay using a MyWay card. To use a MyWay card, a customer must pre-pay their public transport fare by loading money onto their MyWay card, and then upon entering a bus/light rail they scan their card which deducts the amount of the fare from the card. Therefore, when customers use a MyWay card, fare revenue is collected by TCO before the public transport services are provided. As such, TCO recognises the revenue paid upfront as a contract liability and it then recognises this as fare revenue once the customer scans their card on public transport services.

	2023 \$'000	2022 \$'000
<b>Current Payables</b>		
Accrued Expenses	5,939	5,530
Trade Payables <sup>a</sup>	2,921	991
Amounts received Related to Contracts with Customers for Fare Revenue Where the Performance Obligations have not yet been Satisfied <sup>b</sup>	9,526	8,532
<b>Total Current Payables</b>	<b>18,386</b>	<b>15,053</b>

a) The increase (\$1.9 million) is mainly due to the accrued expenditure relating to the transition to a zero-emission bus fleet depot energy supply works.

b) The increase (\$1.0 million) is mainly due to more passengers using MyWay smartcards.

**Transport Canberra Operations**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 12 PAYABLES – CONTINUED**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Payables are aged as follows:</b>		
Not Overdue	18,386	15,030
Overdue for Less than 30 Days	-	23
<b>Total Payables</b>	<b>18,386</b>	<b>15,053</b>

# **Transport Canberra Operations**

## **Notes to and Forming Part of the Financial Statements**

### **For the Year Ended 30 June 2023**

#### **NOTE 13 SERVICE CONCESSION ARRANGEMENT**

##### **Light Rail Service Concession Arrangement**

###### **Background**

On 25 May 2016 the Territory (grantor) entered into a 20-year Public Private Partnership (PPP) with Canberra Metro (CM) (operator) to construct, deliver, maintain and operate light rail infrastructure assets, light rail plant and equipment, and light rail building assets over the term of the contract. These assets have been constructed on Territory land. The assets are made up of a 12km light rail track from Canberra City to Gungahlin, comprising 13 stops, 14 Light Rail Vehicles and one maintenance depot. Construction was completed and the light rail services commenced for public passenger operations on 20 April 2019. There were no existing assets of the grantor or operator being utilised in this service concession arrangement.

Under the terms of the arrangement the Territory retains the significant residual interest in the assets at the end of the 20-year term.

In December 2020, CM refinanced the existing senior bank debt facility to a floating rate from 1 July 2021, and this interest rate is subject to market conditions. TCO received a reduction of \$1.5 million in 2022-23 (\$7.2 million in 2021-22) in borrowings costs due to a lower refinanced interest rate. As a result of the refinancing, there are no changes to the monthly service payments (MSPs). However, the Territory has chosen to take on the interest rate risk associated with the refinancing, and therefore the Hedging Adjustment can affect the debt repayments. The Hedging Adjustment is the difference between:

- the floating rate payment associated with the refinancing; and
- fixed-rate interest payment.

As a result of the Hedging Adjustment, the interest rate on the financial liability for the month is effectively a variable interest rate. Therefore, there is no impact on the carrying amount of the Service Concession Arrangement – Financial Liability under AASB9.B5.4.5. This Hedging Adjustment is recognised in the profit and loss in which the change occurs. The Territory receives the refinancing gain/loss as an adjustment to the MSP invoices on a quarterly basis. The Territory recorded this adjustment to interest expense on the Service Concession Arrangement – Financial Liability.

CM is responsible for the management, recruitment, training and determining the adequate number of staff to run light rail operations. These staff ensure the timely delivery of public transport services to ACT residents and are all employed by CM. CM is solely responsible for all aspects of asset management activities for light rail vehicles, tracks and electrical equipment. It is also required to manage, at its own discretion, all aspects of an Operations Control Centre (OCC) on a continuous 24 hours per day, seven days a week basis.

# **Transport Canberra Operations**

## **Notes to and Forming Part of the Financial Statements**

### **For the Year Ended 30 June 2023**

#### **NOTE 13 SERVICE CONCESSION ARRANGEMENT – CONTINUED**

The OCC centrally manages the following functions:

- Operations;
- Power supply management;
- Communications, both internal and external;
- Emergency Help Point response;
- Security and access control;
- Emergency response and management; and
- System alarm monitoring and fault response.

#### **Termination clauses**

The Project Agreement (the Agreement) can be terminated under three types of termination scenarios set out in the Agreement, which are summarised below:

Termination for convenience – the Territory may terminate the Agreement at any time by giving no less than 60 business days' notice in writing to CM. The Territory will be required to pay a termination for convenience payment. This amount is calculated as CM's outstanding project debt, plus the fair value of CM's equity, plus any other reasonable costs incurred by CM as a result of the termination.

Force Majeure Termination Event - where the Agreement is terminated for force majeure (e.g. earthquake). The Territory will pay CM the general termination event payment. This amount is calculated as CM's outstanding project debt plus any other reasonable costs incurred by CM as a result of the termination, less any insurance proceeds.

Termination for CM's default - The Territory will pay CM the fair market value of the Project determined by an independent expert or as a result of a re-tender of the contract to the market.

A default by CM under the Agreement will entitle the Territory to various remedies. The Territory, in most circumstances, is required to give CM an opportunity to remedy the default. If the default is not remedied within the required period, then it will escalate to a Major Default. The Agreement also states that a number of events are automatically classified as a Major Default (e.g. when there are persistent breaches or frequent service failures). In respect of Major Defaults, CM will be given the opportunity to develop a plan to remedy the default or a prevention plan to prevent the default from recurring. Where CM fails to remedy the Major Default within the required period or fails to comply with an agreed remedy or prevention plan, the Territory has the right to terminate the Agreement. Certain events of default are so severe that they are not subject to a remedy regime. They give rise to a Territory termination right immediately upon their occurrence (e.g. insolvency of CM). These events are called Default Termination Events.

#### **Service Concession Information in Other Financial Statement Notes**

There are a number of notes within the financial statements which contain information about the light rail service concession arrangement. Further information can be found in the relevant notes of the financial statements.

**Transport Canberra Operations**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 14 BORROWINGS**

**Description and Material Accounting Policies relating to Borrowings**

*ACT Government Borrowings*

Borrowings are financial liabilities. They are measured at amortised cost with any adjustments to the carrying amount being recorded in the Operating Statement. The associated interest expense is recognised in the reporting period in which it occurs.

TCO has a loan from EPSDD for the installation of solar panels at the bus depots. The loan is an interest free loan with the principal expected to be repaid by 2034.

Upon initial recognition the loan payable is measured at fair value plus transaction costs, with fair value being determined using a discounted cash flow analysis. Subsequent to initial recognition the loan payable is measured at amortised cost as it is held only to pay contractual cash flows and these cash flows are repayments of principal on specified dates.

*Service Concession Arrangement Liability*

Service Concession Arrangement Financial Liability represents amounts owed to CM for the construction of light rail service concession assets. A service concession liability is initially recognised as a financial liability where the grantor has a contractual obligation to make specified or determinable future payments to the operator for the construction, development, acquisition or upgrade of a service concession asset. The service concession financial liability is initially measured at the same amount as the asset, adjusted for any other consideration exchanged between the grantor and the operator. It is subsequently measured at amortised cost using the effective interest rate method.

**Transport Canberra Operations**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 14 BORROWINGS – CONTINUED**

	2023 \$'000	2022 \$'000
<b>Current Borrowings</b>		
Service Concession Arrangement - Financial Liability	11,736	11,095
ACT Government Borrowings	55	91
<b>Total Current Borrowings</b>	<b>11,791</b>	<b>11,186</b>
<b>Non-Current Borrowings</b>		
Service Concession Arrangement - Financial Liability <sup>a</sup>	271,407	283,143
ACT Government Borrowings	1,090	1,059
<b>Total Non-Current Borrowings</b>	<b>272,497</b>	<b>284,202</b>
<b>Total Borrowings</b>	<b>284,288</b>	<b>295,388</b>

a) The decrease (\$11.7 million) is mainly due to the payments made for the service concession arrangement liability during the year. For more information in relation to service concession arrangements refer to Note 13 - 'Service Concession Arrangement'.

**Service Concession Arrangement - Financial Liability**

Service Concession Arrangement - Financial Liability commitments are payable as follows:

Within one year	22,460	22,441
Later than one year but not later than five years	92,073	91,307
Later than five years	263,654	286,879
<b>Minimum Service Concession Arrangement - Financial Liability Payments</b>	<b>378,187</b>	<b>400,627</b>
Less: Future Finance Lease Charges	(95,044)	(106,389)
<b>Amount Recognised as a Liability</b>	<b>283,143</b>	<b>294,238</b>
<b>Total Present Value of Minimum Service Concession Arrangement - Financial Liability Payments</b>	<b>283,143</b>	<b>294,238</b>

The present value of the minimum Service Concession Arrangement - Financial Liability payments are as follows:

Within one year	11,736	11,095
Later than one year but not later than five years	54,859	51,646
Later than five years	216,548	231,497
<b>Total Present Value of Minimum Service Concession Arrangement - Financial Liability Payments</b>	<b>283,143</b>	<b>294,238</b>

# Transport Canberra Operations

## Notes to and Forming Part of the Financial Statements

### For the Year Ended 30 June 2023

#### NOTE 15 LEASE LIABILITIES

##### Description and Material Accounting Policies Relating to Lease Liabilities

Lease Liabilities are recorded in accordance with AASB 16 'Leases'. At the lease commencement date, TCO recognises a Right-of-Use asset and associated Lease Liability for the lease term. The lease term includes extension periods where TCO is reasonably certain that the option will be exercised.

The Right-of-Use asset is initially measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, and estimated cost of removal and restoration less any lease incentives received. After the commencement date, the Right-of-Use assets are measured at cost under the relevant class of asset.

The Right-of-Use asset is depreciated over the lease term on a straight-line basis and assessed for impairment annually.

The Lease Liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease or the incremental borrowing rate published by ACT Treasury when rates cannot be readily determined. Lease liabilities are subsequently measured at amortised cost using the effective interest rate method.

TCO's leases largely relate to motor vehicles and buses.

##### Exemptions to Lease Accounting

TCO has elected to apply the exemptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets (below \$10,000). TCO has also elected not to separate non-lease components, except for those leases where the information is readily available.

Where the non-lease components have been separated, they are recognised as an expense in the Operating Statement.

	2023 \$'000	2022 \$'000
<b>Current Lease Liabilities</b>		
Lease Liabilities	1,587	1,420
<b>Total Current Lease Liabilities</b>	<b>1,587</b>	<b>1,420</b>
<b>Non-Current Lease Liabilities</b>		
Lease Liabilities	11,287	987
<b>Total Non-Current Lease Liabilities</b>	<b>11,287</b>	<b>987</b>
<b>Total Lease Liabilities <sup>a</sup></b>	<b>12,874</b>	<b>2,407</b>

- a) The increase (\$10.5 million) is mainly due to the purchase of 12 zero-emission buses, 6 charging units and supporting infrastructure, and 6 diesel buses through leasing arrangements.

**Transport Canberra Operations**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 15 LEASE LIABILITIES - CONTINUED**

	2023 \$'000	2022 \$'000
<b>Reconciliation of Lease Liabilities</b>		
Opening Balance of Lease Liabilities	2,407	3,715
Add: Additional Lease Liabilities taken up in the Current Reporting	12,133	226
Less: Payments to reduce the Principal of the Liability	(1,721)	(1,534)
Add: Interest Expense	55	-
<b>Closing Balance of Lease Liabilities</b>	<b>12,874</b>	<b>2,407</b>
<b>Financial Lease Liability</b>		
Financial Lease Liability commitments are payable as follows:		
Within one year	2,303	1,471
Later than one year but not later than five years	11,603	1,022
Later than five years	2,018	-
<b>Financial Lease Liability Payments</b>	<b>15,924</b>	<b>2,493</b>
Less: Future Finance Lease Charges	(3,050)	(86)
<b>Amount Recognised as a Liability</b>	<b>12,874</b>	<b>2,407</b>
<b>Total Present Value of Minimum Lease Liability - Financial Lease Liability Payments</b>	<b>12,874</b>	<b>2,407</b>
The present value of the minimum Lease Liability - Financial Lease Liability payments are as follows:		
Within one year	1,587	1,421
Later than one year but not later than five years	9,577	986
Later than five years	1,710	-
<b>Total Present Value of Minimum Lease Liability - Financial Lease Liability Payments</b>	<b>12,874</b>	<b>2,407</b>

# **Transport Canberra Operations**

## **Notes to and Forming Part of the Financial Statements**

### **For the Year Ended 30 June 2023**

#### **NOTE 16 EMPLOYEE BENEFITS**

##### **Description and Material Accounting Policies relating to Employee Benefits**

###### *Accrued Wages and Salaries*

Accrued wages and salaries are measured at the amount that remains unpaid to employees at the end of the reporting period.

###### *Significant Judgements and Estimates relating to Annual and Long Service Leave*

Annual and Long Service Leave including applicable on-costs that are not expected to be wholly settled within 12 months after the end of the reporting period when the employees render the related service, are measured at the present value of estimated future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to the future wage and salary levels, experience of employee departures and periods of service. At the end of each reporting period, the present value of the future Annual Leave and Long Service Leave payments is estimated using market yields on Commonwealth Government bonds with terms to maturity that match, as closely as possible, the estimated future cash flows.

Annual Leave liabilities have been estimated on the assumption that they will be wholly settled within three years. In 2022-23 the rate used to estimate the present value of future Annual Leave payments is 98.2% (101.8% in 2021-22).

In 2022-23, the rate used to estimate the present value of future payments for Long Service Leave is 93.0% (95.3% in 2021-22).

The Long Service Leave liability is estimated with reference to future wages and salary levels, experience of employee departures, probability that leave will be taken in service and the minimum period of qualifying service. For employees with less than the required minimum period of seven years qualifying service, the probability that employees will reach the required minimum period has been taken into account in estimating the provision for Long Service Leave and applicable on-costs.

The provision for Annual Leave and Long Service Leave includes estimated on-costs. As these on-costs only become payable if the employee takes Annual and Long Service Leave while in-service, the probability that employees will take Annual and Long Service Leave while in service has been taken into account in estimating the liability for on-costs.

The significant judgements and assumptions included in the estimation of Annual and Long Service Leave liabilities include an assessment by an actuary. This assessment is performed every 3 years. However it may be performed more frequently if there is a significant change in the parameters underlying this assessment. The Australian Government Actuary performed this assessment in December 2021 with the next actuarial review to be undertaken by late 2024.

Annual Leave and Long Service Leave liabilities are classified as current liabilities in the Balance Sheet where there are no unconditional rights to defer the settlement of the liability for at least 12 months. Conditional long service leave liabilities are classified as non-current because TCO has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

**Transport Canberra Operations**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 16 EMPLOYEE BENEFITS – CONTINUED**

*Superannuation Liability*

The employer superannuation benefits payable to TCO employees, who are members of the defined benefit CSS or PSS Schemes, are recognised in the financial statements of the Superannuation Provision Account.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current Employee Benefits</b>		
Long Service Leave	16,462	16,851
Annual Leave <sup>a</sup>	12,496	13,403
Accrued Wages and Salaries <sup>b</sup>	6,337	4,692
Accrued Payroll Tax	158	-
Other Benefits <sup>c</sup>	1,362	-
<b>Total Current Employee Benefits</b>	<b>36,815</b>	<b>34,946</b>
<b>Non-Current Employee Benefits</b>		
Long Service Leave	1,578	1,588
<b>Total Non-Current Employee Benefits</b>	<b>1,578</b>	<b>1,588</b>
<b>Total Employee Benefits</b>	<b>38,393</b>	<b>36,534</b>
<b>Estimate of when Leave is Payable</b>		
<b>Estimated Amount Payable within 12 Months</b>		
Annual Leave	5,988	5,270
Accrued Wages and Salaries	6,337	4,692
Long Service Leave	1,915	1,612
Accrued Payroll Tax	158	-
Other Benefits	1,362	-
<b>Total Employee Benefits Payable within 12 Months</b>	<b>15,760</b>	<b>11,574</b>
<b>Estimated Amount Payable later than 12 Months</b>		
Long Service Leave	16,125	16,827
Annual Leave	6,508	8,133
<b>Total Employee Benefits Payable later than 12 Months</b>	<b>22,633</b>	<b>24,960</b>
<b>Total Employee Benefits</b>	<b>38,393</b>	<b>36,534</b>

**Transport Canberra Operations**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 16    EMPLOYEE BENEFITS – CONTINUED**

At 30 June 2023 TCO employed 988 full-time equivalent (FTE) staff (999 FTE at 30 June 2022). The decrease is mainly due to staff attrition and delays in replacement recruitments.

- a) The decrease (\$0.9 million) is mainly due to a reduction in the rate used to estimate the present value of Annual Leave liabilities from 101.1% to 98.2% and fewer staff employed as of 30 June 2023, offset by higher salary rates under the proposed enterprise agreements.
- b) The increase (\$1.6 million) is mainly due to salary increases under the proposed enterprise agreements.
- c) The increase (\$1.3 million) is mainly due to one-off cost of living supplement payment under the proposed enterprise agreements.

# Transport Canberra Operations

## Notes to and Forming Part of the Financial Statements

### For the Year Ended 30 June 2023

#### NOTE 17 INCOME TAX EQUIVALENTS

##### Description and Material Accounting Policies Relating to Income Tax Equivalents

TCO falls within the 'National Tax Equivalents Regime' and is required to calculate income tax in accordance with the *Income Tax Assessment Act 1997* and *Income Tax Assessment Act 1936* under the requirements of Australian Accounting Standard AASB 112 *Income Taxes*.

TCO is exempt from paying federal income tax. However, TCO is required to calculate tax equivalents that would have been payable under the 'National Tax Equivalent Regime'.

	2023 \$'000	2022 \$'000
<b>(a) Components of Income Tax Equivalents Expense/(Income)</b>		
Deferred Tax Equivalents (Income) Relating to the Origination and Reversal of Temporary Differences	(12,141)	(11,112)
	<b>(12,141)</b>	<b>(11,112)</b>

##### (b) Income Tax Equivalents (Income)

The prima facie income tax (income) on pre-tax accounting profit from operations reconciles to the income tax (income) in the financial statements as follows:

Loss from Operations	(40,304)	(36,876)
Income Tax Equivalents (Income) Calculated at 30%	(12,091)	(11,063)
	(12,091)	(11,063)
Non-Assessable Permanent Differences	(50)	(49)
	<b>(12,141)</b>	<b>(11,112)</b>

The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian Tax Law.

##### (c) Income Tax Recognised Directly in Equity

Deferred Tax Asset from Revaluation of Assets	52,837	-
	<b>52,837</b>	<b>-</b>

##### (d) Recognised Deferred Tax Balances

The following deferred tax balances have been recognised in the accounts:

Liabilities on Temporary Differences	(280,336)	(230,646)
Assets Relating to:		
Inventories	149	178
Trade and Other Receivables	8	13
Intangibles	74	147
Accrued Expenditure	27	37
Employee Entitlements	9,708	10,013
Lease Liabilities	3,862	722
Borrowings	84,943	88,271
Tax Losses Carried Forward	77,595	67,992
<b>Net Deferred Tax (Liabilities)</b>	<b>(103,970)</b>	<b>(63,273)</b>

**Transport Canberra Operations**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**OTHER NOTES**

**NOTE 18 FINANCIAL INSTRUMENTS**

**Description and Material Accounting Policies relating to Financial Instruments**

Details of the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability are disclosed in the note to which they relate. In addition to these policies, the following are also accounting policies relating to financial assets and liabilities.

TCO's financial assets are subsequently measured at amortised cost on the basis of both:

- (a) the business model for managing the financial assets being held to collect; and
- (b) the contractual cash flow characteristics of the financial assets.

Financial liabilities are measured at amortised cost.

**Credit Risk**

Credit risk is the risk that one party to a Financial Instrument will fail to discharge an obligation and cause the other party to incur a financial loss. TCO's credit risk is limited to the amount of the financial assets it holds net of any provision for impairment.

Credit risk is managed by TCO for cash at bank by holding bank balances with the ACT Government's bank, Westpac Banking Corporation (Westpac). Westpac holds a AA issuer credit rating with Standard and Poors. A 'AA' credit rating is defined as a 'very strong capacity to meet financial commitments'.

TCO's credit risk is limited to the amount of the Receivables it holds net of any Allowance for Impairment. TCO manages its credit risk for Receivables by regularly monitoring its Receivables, through active follow up of outstanding Receivables and by issuing monthly statements to overdue accounts where required.

There has been no significant change in credit risk exposure since the last reporting period.

# Transport Canberra Operations

## Notes to and Forming Part of the Financial Statements

### For the Year Ended 30 June 2023

#### NOTE 18 FINANCIAL INSTRUMENTS – CONTINUED

##### Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

TCO is exposed to interest rate risk associated with its Service Concession Arrangement Financial Liability as it has a floating (variable) interest rate and TCO has not hedged this risk.

##### Sensitivity Analysis

The table below shows a 'reasonably possible' sensitivity of a 1% impact on the annual interest expenses and has been performed in 2022-23 and 2021-22.

	2023	2022
Increase by 1%	\$ 2,422,000	\$ 2,573,000
Decrease by 1%	\$ 2,422,000	\$ 2,573,000

##### Liquidity Risk

Liquidity risk is the risk that TCO will encounter difficulties in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

TCO's liabilities relate to the purchases of Supplies and Services, Employee and Superannuation Expenses, and Lease Liabilities, including interest and principal repayments.

The main source of cash to pay these obligations is from service payments from the ACT Government, which are paid through TCCS on a fortnightly basis and fares. TCO manages its liquidity risk through forecasting service payment requirements to enable the payment of anticipated obligations. Therefore, liquidity risk is assessed to be low and management of this risk has not changed since the last reporting period.

##### Carrying Amounts and Fair Value of Financial Assets and Liabilities

The carrying amount of financial assets and liabilities approximates its fair value.

	Note No.	Carrying Amount 2023 \$'000	Carrying Amount 2022 \$'000
<b>Financial Assets</b>			
Cash and Cash Equivalents	10	11,393	14,685
Receivables		659	36
<b>Total Financial Assets</b>		<b>12,052</b>	<b>14,721</b>
<b>Financial Liabilities</b>			
Payables	12	12,447	9,523
Lease Liabilities	15	12,874	2,407
Service Concession Arrangement - Financial Liability	14	283,143	294,238
ACT Government Borrowings	14	1,145	1,150
<b>Total Financial Liabilities</b>		<b>309,609</b>	<b>307,318</b>

**Transport Canberra Operations**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 18 FINANCIAL INSTRUMENTS – CONTINUED**

The following tables sets out TCO's maturity analysis for Financial Liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period. All amounts appearing in the following maturity analysis are shown on an undiscounted cash flow basis.

		Weighted Average Interest Rate	Fixed Interest Maturing In:				Non-Interest Bearing \$'000	Total \$'000
			1 Year or Less \$'000	Over 1 Year to 5 Years \$'000	Over 5 Years \$'000			
30 June 2023								
Financial Liabilities								
	12		-	-	-	-	12,447	12,447
	14	6.20%	22,460	92,073	263,654	-	-	378,187
		5.42%	2,303	11,603	2,018	-	-	15,924
	14		-	-	-	-	1,329	1,329
Total Financial Liabilities			24,763	103,676	265,672	13,776	407,887	
30 June 2022								
Financial Liabilities								
	12		-	-	-	-	9,523	9,523
	14	6.20%	22,441	91,307	286,879	-	-	400,627
		3.00%	1,471	1,022	-	-	-	2,493
	14		-	-	-	-	1,223	1,223
Total Financial Liabilities			23,912	92,329	286,879	10,746	413,866	

# Transport Canberra Operations

## Notes to and Forming Part of the Financial Statements

### For the Year Ended 30 June 2023

#### NOTE 19 CAPITAL AND OTHER EXPENDITURE COMMITMENTS

##### Description and Material Accounting Policies Relating to Capital and Other Expenditure Commitments

Commitments are a firm intention, but not a present obligation, at the end of the reporting period to incur future expenditure. As such, commitments do not constitute a liability. Commitments usually arise from contracts, but can arise from other things like placing an order.

Commitments are measured at their nominal value and are inclusive of GST.

	2023	2022
	\$'000	\$'000

##### Capital Commitments - Property, Plant and Equipment

Capital commitments contracted at reporting date that have not been recognised as liabilities are as follows:

Payable:

Within one year	15,715	2,078
Later than one year but not later than five years	86,753	6,486
Later than five years	-	8,108

<b>Total Capital Commitments - Property, Plant and Equipment <sup>a</sup></b>	<b>102,468</b>	<b>16,672</b>
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- a) The increase in capital commitments (\$85.8 million) is mainly due to the procurement of 90 battery electric buses (\$83.4 million) to support the transition to a zero-emissions bus fleet.

##### Other Commitments

Other commitments contracted at reporting date that have not been recognised as liabilities are as follows:

Payable:

Within one year	19,106	6,223
Later than one year but not later than five years	22,963	7,402
Later than five years	25,191	-

<b>Total Other Commitments <sup>b</sup></b>	<b>67,260</b>	<b>13,625</b>
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- b) The increase in other commitments mainly relates to the commencement of the new ticketing system project and transfer of diesel bus lease contracts from capital commitments into other commitments.

##### Non-Cancellable Low Value Lease Commitments

Non-cancellable operating commitments are payable as follows:

Payable:

Within one year	87	34
Later than one year but not later than five years	92	50
Later than five years	7	10

<b>Total Non-Cancellable Low Value Commitments</b>	<b>186</b>	<b>94</b>
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# Transport Canberra Operations

## Notes to and Forming Part of the Financial Statements

### For the Year Ended 30 June 2023

#### NOTE 19 CAPITAL AND OTHER EXPENDITURE COMMITMENTS – CONTINUED

Service Concession Arrangement Commitments relate to the operational expenditure TCO is required to make to CM over the remaining term of the service concession arrangement. Commitments for the capital component have been recorded as a Service Concession Arrangement - Financial Liability in Note 14 Borrowings, and therefore no capital commitments have been disclosed in this commitment note.

	2023 \$'000	2022 \$'000
<b>Service Concession Arrangement Operational Commitments</b>		
Payable:		
Within one year	34,091	31,410
Later than one year but not later than five years	144,633	141,703
Later than five years	469,725	506,746
<b>Total Service Concession Arrangement Operational Commitments</b>	<b>648,449</b>	<b>679,859</b>

For more information in relation to service concession arrangements refer to Note 13 - 'Service Concession Arrangement'.

#### NOTE 20 CONTINGENT ASSETS AND CONTINGENT LIABILITIES

##### Description and Material Accounting Policies relating to Contingent Assets and Contingent Liabilities

Contingent assets and contingent liabilities are not recognised in the Balance Sheet due to the uncertainty regarding any possible amount or timing of any underlying claim or obligation. Instead they are disclosed and, if quantifiable, the best estimate is disclosed.

##### Contingent Assets

TCO may receive assets from MPC for the following projects:

- Five new Light Rail vehicles and depot modification works in 2023-24; and
- Light Rail Stage 2A.

TCO also has insurance arrangements where reimbursement from ACTIA occurs related to the Legal Claims below.

##### Contingent Liabilities

TCO is subject to various claims at the reporting date related to accidents which are insured through ACTIA with the contingent liability limited to the \$10,000 insurance excess payable on each claim.

Legal Claims	40	80
<b>Total Contingent Liabilities</b>	<b>40</b>	<b>80</b>

# **Transport Canberra Operations**

## **Notes to and Forming Part of the Financial Statements**

### **For the Year Ended 30 June 2023**

#### **NOTE 21 RELATED PARTY DISCLOSURES**

##### **Description and Material Accounting Policies relating to Related Party Disclosures**

A related party is a person that controls or has significant influence over the reporting entity or is a member of the Key Management Personnel (KMP) of the reporting entity or its parent entity and includes their close family members and entities in which the KMP or/and their close family members individually or jointly have controlling interests.

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of TCO, directly or indirectly.

KMP are the Portfolio Minister, Director-General of TCCS and certain members of the Senior Management Team.

The Head of Service and the ACT Executive comprising the Cabinet Ministers are KMP of the ACT Government and therefore related parties of TCO.

This note does not include typical citizen transactions between the KMP and TCO that occur on terms and conditions no different to those applying to the general public.

##### **Controlling Entity**

TCO is an ACT Government controlled entity.

##### **Key Management Personnel**

###### *(i) Compensation of Key Management Personnel*

Compensation of all Cabinet Ministers, including the Portfolio Minister, is disclosed in the Note on related party disclosures included in the ACT Executive's Financial Statements for the year ended 30 June 2023.

Compensation of the Head of Service is included in the Note on related party disclosures included in CMTEDD's Financial Statements for the year ended 30 June 2023.

The KMP of TCO are employees of TCCS and are paid compensation by TCCS. Further details of compensation for these KMP are contained in the TCCS Financial Statements for the year ended 30 June 2023. There were no other transactions between TCO and KMP or parties related to KMP.

**Transport Canberra Operations**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 21 RELATED PARTY DISCLOSURES - CONTINUED**

**Transactions with other ACT Government Controlled Entities**

All transactions with ACT Government controlled entities are disclosed as below:

	<b>Note No.</b>	<b>Actual 2023 \$'000</b>	<b>Description of Material Transactions included within the balance</b>
<b>Income</b>			
Contributions Revenue	5	213,169	Refer to the note.
<b>Expenses</b>			
Employee Expenses	6	11,843	TCO paid \$8.5 million to the ACT Revenue Office for payroll tax and \$3.1 million to ACTIA for workers' compensation insurance premium.
Supplies and Services	7	8,868	TCO paid \$4.6 million to ACTIA for insurance premiums and \$3.6 million to SS for Finance, Human Resources, printing and IT services.
<b>Current Assets</b>			
Receivables		1,126	TCO recovered \$1.1 million concessional travel payments from CMTEDD.
<b>Current Liabilities</b>			
Interest-Bearing Liabilities	14	17	TCO received a loan from EPSDD for the installation of solar panels at the bus depots.
Interest-Bearing Liabilities	14	1,059	Refer to the above Current Interest-Bearing Liabilities
Deferred Tax Liabilities	17 (d)	103,970	Refer to the note.

# **Transport Canberra Operations** **Notes to and Forming Part of the Financial Statements** **For the Year Ended 30 June 2023**

## **NOTE 22 BUDGETARY REPORTING**

### **Significant Accounting Judgements and Estimates – Budgetary Reporting**

Original Budget refers to the amounts presented to the Legislative Assembly in the original budget financial statements in respect of the reporting period (2022-2023 Budget Statements). These amounts have not been adjusted to reflect supplementary appropriation or appropriation instruments.

The following are brief explanations of major line item variances between budget estimates and actual outcomes. Variances are considered to be major variances if both of the following criteria are met:

- The line item is a significant line item: where either the line item actual amount accounts for more than 10% of the relevant associated actual category amount (Income, Expenses, Assets, Liabilities and Equity totals) or more than 10% of the sub-element (e.g. Current Liabilities and Receipts from Operating Activities totals) of the financial statements; and
- The variances (Original Budget to actual) are greater than plus (+) or minus (-) 10% and \$15 million for the financial statement line item.

Operating Statement Line Items	Actual 2023 \$'000	Original Budget 2023 \$'000	Variance \$'000	Variance %	Variance Explanations
Increase in the Asset Revaluation Surplus	176,123	14,820	161,303	1,088	Asset revaluation outcomes are difficult to predict. The higher than budgeted result is mainly due to revaluation increases for service concession assets.

Balance Sheet Line Items					
Property, Plant and Equipment	1,056,447	859,415	197,032	23	The higher than budget result is explained under the above Increase in the Asset Revaluation Surplus.
Deferred Tax Liabilities	103,970	53,259	50,711	95	The higher than budget result is mainly related to the deferred tax liability from the revaluation of assets in 2022-23.
Asset Revaluation Surplus	242,998	73,202	169,796	232	The higher than budget result is explained as above.

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# C3 Capital Works

Table 26: Capital Works projects, values and expenditure

Project	Original Practical Completion Dates	Revised Practical Completion Dates	Original Value (\$'000)	Revised Value (\$'000)	Prior Yr Expenditure (\$'000)	2022-23 Expenditure (\$'000)	Total Expenditures to Date (\$'000)
<b>New Works - Major New Works</b>							
<b>ACT NoWaste</b>							
ACT NoWaste Food Organics Garden Organics facility	Jun-23	Dec-23	520	520	-	51	51
Planning for a new Northside green waste facility	Jun-24	Jun-25	8,798	8,798	-	89	89
<b>Place Management</b>							
Better community infrastructure – Delivering a destination playground in the inner north	Jun-25	Jun-25	2,600	2,600	-	59	59
Protecting Canberra's environment – Designing the implementation of the Urban Forest Bill	Jun-23	Jul-23	250	250	-	242	242
Protecting Canberra's environment - implementing the Urban Forest Bill 2022	Dec-23	Dec-23	1,141	1,141	-	8	8
Upgrading the City Services Depot at Holder	Jun-24	Jul-25	2,000	2,000	-	27	27
<b>Roads ACT</b>							
Better community infrastructure – Improving local intersection safety (ACT contribution)	Jun-25	Jun-25	3,923	3,923	-	173	173
Better community infrastructure – Improving local intersection safety (Commonwealth contribution)	Jun-25	Jun-25	3,650	3,650	-	173	173
Better community infrastructure – Improving our active travel networks and projects (ACT contribution)	Jun-23	Dec-23	3,315	4,189	-	781	781
Better community infrastructure – Raising London Circuit and associated works	Jun-24	Jun-24	1,194	1,194	-	482	482
Better community infrastructure – Strengthening flood resilience (ACT contribution)	Jun-25	Jun-25	6,117	6,117	-	23	23
Better community infrastructure – Strengthening flood resilience (Commonwealth contribution)	Jun-25	Jun-25	5,727	5,727	-	22	22
Better community infrastructure - increased road surfacing improvements across Canberra	Jun-27	Jun-27	52,980	52,980	-	-	-

Project	Original Practical Completion Dates	Revised Practical Completion Dates	Original Value (\$'000)	Revised Value (\$'000)	Prior Yr Expenditure (\$'000)	2022-23 Expenditure (\$'000)	Total Expenditures to Date (\$'000)
<b>Sport and Recreation</b>							
Better community infrastructure – Kippax Group Centre Master Plan	Jun-23	Dec-23	3,467	3,467	-	2,865	2,865
Sport and Recreation Facilities Omnibus	Jun-23	Jul-23	796	796	-	446	446
<b>Transport Canberra Operations</b>							
Climate action – Supporting the transition to a zero-emissions bus fleet	Jun-24	Jun-24	6,225	6,225	-	380	380
Improving safety on public transport	Jun-24	Jun-25	2,500	2,500	-	-	-
<b>Total Major New Works</b>			<b>105,203</b>	<b>106,077</b>	<b>5,822</b>	<b>5,822</b>	
<b>Better Infrastructure Fund 2022-23 - New Works</b>							
<b>Place Management</b>							
Better community infrastructure – Refurbishing the Charnwood Shopping Centre	Jun-24	Jun-24	1,038	1,038	-	62	62
Pump house upgrade	Jun-22	Jul-23	312	312	-	60	60
Play space audit work	Jun-23	Jun-23	707	707	-	691	691
Physical security upgrades at Directorate sites	Jun-23	Jul-23	364	364	-	266	266
<b>Roads ACT</b>							
Safer dams and weirs program	Jun-23	Aug-23	1,560	1,560	-	1,572	1,572
Traffic signal programs	Jun-23	Aug-23	520	520	-	166	166
Bus layover improvements	Jun-23	Jun-23	1,040	1,040	-	242	242
Streetlight Energy Performance	Jun-25	Jun-25	2,050	2,050	-	2,155	2,155
<b>Sport and Recreation</b>							
Sportsgrounds facilities improvement program	Jun-23	Jul-23	1,919	1,919	-	1,487	1,487
<b>Transport Canberra Operations</b>							
TCO bus major component overhauls incl seat and floors	Jun-23	Jul-23	1,332	1,332	-	1,238	1,238
<b>Yarralumla Nursery</b>							
Finalise priority safety works at Yarralumla Nursery	Jun-23	Jul-23	594	594	-	507	507

Project	Original Practical Completion Dates	Revised Practical Completion Dates	Original Value (\$'000)	Revised Value (\$'000)	Prior Yr Expenditure (\$'000)	2022-23 Expenditure (\$'000)	Total Expenditures to Date (\$'000)
<b>Total New Works Better Infrastructure Fund Projects</b>							
			11,436	11,436	-	8,447	8,447
<b>Total New Works</b>			116,639	117,513	-	14,269	14,269
<b>Works in Progress 2022-23</b>							
<b>ACT NoWaste</b>							
ACT NoWaste weighbridge system replacement	Jun-23	Dec-23	351	351	-	268	268
Building a better city – Rehabilitating landfill sites	Jun-21	Jun-26	34,845	32,617	10,945	16,099	27,044
Food organics and garden organics – household waste trial	Jun-24	Jun-24	165	165	64	3	67
Food organics and garden organics – waste recovery facility	Jun-22	Dec-23	700	700	254	410	664
Managing Waste Better	Jun-21	Apr-26	6,205	6,205	559	445	1,004
Upgrading the ACT Material Recovery Facility (ACT contribution)	Jun-24	Jun-26	12,700	12,700	221	268	489
Upgrading the ACT Material Recovery Facility (Commonwealth contribution)	Jun-24	Jun-26	10,500	10,508	304	368	672
<b>Cemeteries</b>							
More services for our suburbs – Southern Memorial Park Detailed Design	Jun-24	Jun-24	921	2,571	834	822	1,656
<b>Libraries</b>							
Enhancement of library collections	Jun-23	Ongoing	2,063	3,410	-	2,576	2,576
<b>Place Management</b>							
Better Customer Service – Improving Online Platforms	Jun-23	Jun-24	5,931	5,493	2,603	1,742	4,346
Better Services – Improved asset management	Dec-19	Jul-23	1,705	1,705	1,287	97	1,384
Casey Community Recreation Park	Sep-24	Sep-24	3,000	3,000	37	329	365
Cat registration	Jun-23	Aug-23	216	216	-	-	-
Protecting Canberra's unique environment – Growing our urban forest	Jun-23	Jun-24	704	704	45	325	370

Project	Original Practical Completion Dates	Revised Practical Completion Dates	Original Value (\$'000)	Revised Value (\$'000)	Prior Yr Expenditure (\$'000)	2022-23 Expenditure (\$'000)	Total Expenditures to Date (\$'000)
<b>Roads ACT</b>							
Athllon Drive Duplication	Jun-21	Jun-24	5,220	5,220	715	174	890
Better connecting Belconnen and Gungahlin (ACT contribution)	Jun-23	Mar-24	44,530	50,173	16,442	12,306	28,748
Building a better city — Improving Tharwa Village firefighting water supply	Jun-19	Jul-25	1,427	1,427	517	120	637
Connected and sustainable Canberra – Active travel investments	Jun-25	Jul-25	10,870	10,870	79	239	317
Connected and sustainable Canberra – Constructing the William Hovell Drive duplication (ACT contribution)	Jun-25	Dec-26	36,750	36,750	296	46	342
Connected and sustainable Canberra – Constructing the William Hovell Drive duplication (Commonwealth contribution)	Jun-25	Dec-26	26,500	26,500	142	48	191
Connected and sustainable Canberra – Monaro Highway upgrades (ACT contribution)	Jun-26	Jun-26	68,250	80,050	3,358	3,183	6,541
Connected and sustainable Canberra – Monaro Highway upgrades (Commonwealth contribution)	Jun-26	Jun-26	68,250	80,050	146	176	321
Connected and sustainable Canberra – Upgrades for Pialligo (ACT contribution)	Jun-25	Dec-24	1,500	1,762	39	1,299	1,338
Connected and sustainable Canberra – Upgrades for Pialligo (Commonwealth contribution)	Jun-25	Dec-24	2,500	2,500	4	109	113
Ensuring uninterrupted power supply to traffic lights (ACT & Commonwealth contribution)	Jun-21	Jun-24	900	1,033	241	621	862
Goliath Court Flood Mitigation (Commonwealth contribution)	Jun-22	Jun-24	1,220	1,615	107	42	149
Improving stormwater networks	Jun-23	Jun-24	19,061	19,061	15,590	2,246	17,837
Improving water management infrastructure	Jun-20	Oct-23	500	500	278	93	372
Intelligent transport systems to better manage traffic congestion	Jun-23	Sep-23	1,200	1,200	7	920	927
Keeping our growing city moving – Better infrastructure for active travel	Jun-22	Sep-23	21,650	23,354	21,838	1,008	22,846

Project	Original Practical Completion Dates	Revised Practical Completion Dates	Original Value (\$'000)	Revised Value (\$'000)	Prior Yr Expenditure (\$'000)	2022-23 Expenditure (\$'000)	Total Expenditures to Date (\$'000)
Making our roads safer while keeping Canberra moving	Jun-22	Jun-26	29,696	22,976	8,559	4,215	12,773
Mawson stormwater and placemaking improvements – construction (ACT contribution)	Jun-23	Oct-23	1,010	1,010	2	334	336
Mawson stormwater and placemaking improvements – construction (Commonwealth contribution)	Jun-23	Oct-23	2,120	3,182	48	1,091	1,139
Molonglo Enabling Works (ACT contribution)	Jun-21	Dec-25	88,700	113,700	656	1,192	1,848
Molonglo Enabling Works (Commonwealth contribution)	Jun-21	Dec-25	87,500	87,800	321	1,326	1,647
More carparks for Palmerston Shops and Coolerman Court	Jun-20	Jun-23	420	420	304	102	406
Building a Better City - Pialligo Ave Duplication	Jun-20	Jul-23	4,000	4,700	2,539	818	3,357
Planning better roads for our growing city	Jun-21	Sep-23	4,100	4,100	3,620	242	3,862
Protecting Canberra's unique environment – Upgrading the stormwater network	Jun-24	Jun-25	6,580	8,150	323	4,504	4,827
Road safety improvements (ACT & Commonwealth contribution)	Jun-21	Sep-23	12,000	13,136	6,675	6,619	13,294
Schools for our growing city – Kenny High School	Mar-23	Jul-23	16,650	16,650	5,701	5,789	11,490
Upgrading an intersection on Owen Dixon Drive	Jun-22	Jul-23	10,000	10,000	3,129	5,571	8,700
Delivering safer intersections	Jun-22	Jun-24	14,020	11,431	3,753	3,740	7,493
ACT Contribution – Heavy Vehicle Safety and Productivity	Jun-21	Jun-23	1,883	1,883	1,429	348	1,777
<b>Transport Canberra Operations</b>							
Better buses to support the new bus network	Jul-23	Dec-26	37,510	37,510	353	1,087	1,440
Better transport infrastructure - improving inclusive transport services	Jun-24	Jun-24	290	290	-	5	5
Delivering a smart technology ticketing system for Canberra's integrated public transport system	Jun-24	Dec-24	37,946	37,946	122	1,198	1,320
Woden Bus Depot Augmentation	Jun-19	Dec-24	25,775	55,810	9,705	8,000	17,705
<b>Total Works in Progress</b>			<b>770,534</b>	<b>853,104</b>	<b>124,190</b>	<b>92,566</b>	<b>216,755</b>

Project	Original Practical Completion Dates	Revised Practical Completion Dates	Original Value (\$'000)	Revised Value (\$'000)	Prior Yr Expenditure (\$'000)	2022-23 Expenditure (\$'000)	Total Expenditures to Date (\$'000)
<b>Prior Year Better Infrastructure Fund - Works in Progress</b>							
<b>Place Management</b>							
Better play spaces and dog parks	Jun-25	Jun-25	5,300	5,562	175	698	873
Local shopping centre upgrades	Jun-25	Jun-25	18,710	19,393	1,213	6,385	7,598
Reducing reliance on potable water to irrigate grass	Jun-23	Sep-23	2,330	2,242	420	778	1,198
Tuggeranong foreshore improvements	Jun-24	Jun-24	4,800	5,682	273	444	716
<b>Roads ACT</b>							
Accessible bus stops	Jun-23	Jul-23	4,695	4,695	3,088	1,458	4,546
Active travel – age friendly suburbs and cycle path maintenance	Jun-25	Jun-25	6,300	6,500	858	1,273	2,131
Road median improvement	Jun-24	Jun-24	2,120	2,120	449	1,200	1,649
Upgrades for Pialligo	Jun-24	Dec-24	1,000	1,000	-	-	-
<b>Prior Year Better Infrastructure Fund - Works in Progress Total</b>			<b>45,255</b>	<b>47,194</b>	<b>6,475</b>	<b>12,237</b>	<b>18,712</b>
<b>Total Works in Progress</b>			<b>815,789</b>	<b>900,298</b>	<b>130,665</b>	<b>104,802</b>	<b>235,467</b>
<b>Physically Complete Projects 2022-23</b>							
<b>ACT NoWaste</b>							
Growing investment in services for our suburbs	Jun-23	Jun-23	648	648	-	613	613
<b>Libraries</b>							
Libraries - Self-Service Check Out	Jun-18	Dec-21	2,200	2,200	2,037	-	2,037
<b>Roads ACT</b>							
Building a better city – Canberra Brickworks – Access road and Dudley Street upgrade 2	Jun-20	Dec-23	8,000	10,042	8,376	128	8,505
Intersection Upgrades – Belconnen way intersection with Springvale Drive (ACT contribution)	Jun-22	Jun-22	750	750	122	25	147
Intersection Upgrades – Kuringa Drive intersection with Owen Dixon (ACT Contribution)	Jun-21	Nov-21	3,750	3,750	1,927	102	2,029

Project	Original Practical Completion Dates	Revised Practical Completion Dates	Original Value (\$'000)	Revised Value (\$'000)	Prior Yr Expenditure (\$'000)	2022-23 Expenditure (\$'000)	Total Expenditures to Date (\$'000)
Intersection Upgrades - Launceston Street intersection with Irving Street (ACT Contribution)	Jun-22	Sep-21	750	750	136	38	174
Intersection Upgrades – Southern Cross Drive intersection with Starke Street (ACT Contribution)	Jun-22	Dec-21	1,750	1,750	689	118	807
More active travel infrastructure for our schools and suburbs	Jun-20	Jun-20	2,194	2,091	2,011	69	2,080
<b>Transport Canberra Operations</b>							
Growing the public transport network	Jun-22	Jan-23	1,800	1,800	-	-	-
<b>Physically Complete Projects 2022-23 Total</b>			<b>21,842</b>	<b>23,781</b>	<b>15,298</b>	<b>1,093</b>	<b>16,391</b>
<b>Prior Year Better Infrastructure Fund - Physically complete projects</b>							
<b>Transport Canberra Operations</b>							
Transport Canberra - Brake testing machines	Jun-22	Jun-22	350	350	350	-	350
<b>Prior Year Better Infrastructure Fund - Physically complete projects Total</b>			<b>350</b>	<b>350</b>	<b>350</b>	<b>-</b>	<b>350</b>
<b>Total Projects Physically Complete</b>			<b>22,192</b>	<b>24,131</b>	<b>15,648</b>	<b>1,093</b>	<b>16,741</b>
<b>Physically and Financially Complete Projects 2022-23</b>							
<b>ACT NoWaste</b>							
<b>Green Waste Bins</b>	Jun-21	Aug-22	9,571	4,334	4,465	-131	4,334
More services for our suburbs – Parkwood estate rehabilitation	Jun-20	Jun-23	4,953	4,953	1,151	3,802	4,953
Waste Management Consolidated Business Case	Jun-21	May-23	1,640	1,640	490	1,150	1,640
<b>Roads ACT</b>							
Better community infrastructure – Improving our active travel networks and projects (Commonwealth grant)	Jun-23	Jun-23	500	500	-	500	500
Better public transport infrastructure for Canberra	Jun-21	Sep-22	1,800	1,800	1,680	120	1,800
Bridge Renewal Programme (ACT contribution)	Jun-21	May-23	4,618	4,618	2,416	104	2,520

Project	Original Practical Completion Dates	Revised Practical Completion Dates	Original Value (\$'000)	Revised Value (\$'000)	Prior Yr Expenditure (\$'000)	2022-23 Expenditure (\$'000)	Total Expenditures to Date (\$'000)
Building a better city – Gundaroo Drive duplication – Stage 2	Jun-20	Sep-20	30,000	28,242	28,242	-	28,242
Gungahlin - Horse Park Drive Duplication	Jun-19	Jul-19	57,000	48,505	48,455	45	48,500
Keeping our growing city moving – Canberra Brickworks Precinct – environmental offsets	Jun-19	Feb-23	1,500	1,400	1,400	-	1,400
Keeping our growing city moving – John Gorton Drive and Molonglo River Bridge Crossing – early design	Jun-19	Jun-23	1,250	1,901	1,771	130	1,901
Road Safety Works – Variable Speed Limit Systems (ACT contribution)	Jun-22	Jul-22	175	1,350	152	-	152
Road Safety Works – Variable Speed Limit Systems (Commonwealth contribution)	Jun-21	Jun-22	175	350	64	-	64
Strengthening infrastructure supporting Canberra's new public transport network	Jun-22	Jan-22	5,100	5,400	5,374	26	5,400
Supporting more Canberrans to Park and Ride	Jun-21	Jun-23	2,500	2,500	1,904	594	2,498
Northbourne Avenue Pavement (ACT contribution)	Jun-22	Jun-22	2,000	5,000	2,957	-	2,957
Northbourne Avenue Pavement (Commonwealth contribution)	Jun-22	Jun-22	5,000	5,000	3,538	-	3,538
<b>Sport and Recreation</b>							
Better community infrastructure – Improving sport and recreation facilities	Jun-22	Dec-22	950	950	519	430	950
<b>Transport Canberra Operations</b>							
17/18 ACTION - Expansion of the Rapid Bus Network	Jun-19	Dec-22	43,800	45,300	45,265	42	45,307
Planning and design for a zero-emissions bus network	Jun-22	Apr-23	800	800	297	505	802
<b>Physically and Financially Complete Projects 2022-23 Total</b>			<b>173,332</b>	<b>164,543</b>	<b>150,141</b>	<b>7,317</b>	<b>157,458</b>
<b>Better Infrastructure Fund 2022-23 - Physically and Financially complete projects</b>							
<b>Roads ACT</b>							
Urban stormwater upgrade program	Jun-23	Apr-23	1,040	1,040	-	1,040	1,040

Project	Original Practical Completion Dates	Revised Practical Completion Dates	Original Value (\$'000)	Revised Value (\$'000)	Prior Yr Expenditure (\$'000)	2022-23 Expenditure (\$'000)	Total Expenditures to Date (\$'000)
Streetlight programs	Jun-23	Jun-23	520	520	-	520	520
<b>Transport Canberra Operations</b>							
TCO Workshop equipment upgrade and replacement	Jun-23	May-23	624	624	-	624	624
<b>Better Infrastructure Fund 2022-23 - Physically and Financially complete projects Total</b>			<b>2,184</b>	<b>2,184</b>	<b>-</b>	<b>2,184</b>	<b>2,184</b>
<b>Prior Year Better Infrastructure Fund - Physically and Financially complete projects</b>							
<b>ACT NoWaste</b>							
Alderson Place Hume depot	Jun-22	Sep-22	536	536	177	162	340
<b>Place Management</b>							
Yerrabi Pond District Park - Design	Jun-22	Sep-22	600	330	132	222	354
Physical security at Directorate sites	Jun-22	Jun-22	260	260	244	19	263
<b>Roads ACT</b>							
Belconnen bikeway stage 2 detail design	Jun-21	Jun-22	250	250	250	-	250
Route Planning Study Gungahlin Town Centre	Jun-22	Sep-22	200	192	133	66	200
Safer Dams & Weirs Improvement Program	Jun-22	Nov-22	2,518	2,518	2,503	79	2,582
Safer dams and weirs programs-includes Dam safety code	Jun-22	Sep-22	799	799	549	250	799
Streetlight program	Jun-22	Aug-22	520	520	225	295	520
Traffic Signal Program	Jun-22	Sep-22	728	728	348	352	700
Bridge component replacement program	Jun-22	Aug-22	520	520	97	423	520
Designs of road pavements	Jun-22	Jun-22	520	520	340	162	502
<b>Sport and Recreation</b>							
Sportsgrounds facilities improvement program	Jun-22	Sep-22	1,872	1,872	1,537	333	1,870
<b>Transport Canberra Operations</b>							
TCO Major Component Overhauls Seats and Floors	Jun-22	Jun-22	1,768	1,768	1,642	128	1,770
Replacement/additional heavy vehicle recovery truck	Jun-21	Sep-21	750	750	750	-	750

Project	Original Practical Completion Dates	Revised Practical Completion Dates	Original Value (\$'000)	Revised Value (\$'000)	Prior Yr Expenditure (\$'000)	2022-23 Expenditure (\$'000)	Total Expenditures to Date (\$'000)
<b>Yarralumla Nursery</b>							
Finalise Priority safety works at Yarralumla Nursery	Jun-22	Jun-22	416	416	400	13	413
<b>Domestic Animal Services</b>							
Mitigate Current Macerator Issues	Jun-22	Sep-22	260	260	125	135	260
<b>Birrigai</b>							
Birrigai Outdoor School Asbestos Mitigation	Jun-22	May-22	312	312	296	19	314
<b>Prior Year Better Infrastructure Fund - Physically and Financially complete projects Total</b>			<b>12,828</b>	<b>12,550</b>	<b>9,747</b>	<b>2,660</b>	<b>12,407</b>
<b>Total Projects Physically and Financially Complete</b>			<b>188,344</b>	<b>179,277</b>	<b>159,888</b>	<b>12,161</b>	<b>172,049</b>
<b>TOTAL COMBINED CAPITAL WORKS PROGRAM</b>							
			<b>1,142,964</b>	<b>1,221,219</b>	<b>306,201</b>	<b>132,326</b>	<b>438,527</b>

Table 27: Reconciliation of funding and expenditure 2022-23

Reconciliation of funding and expenditure		\$'000
<b>Reconciliation of Total Current Year Financing</b>		
Original Capital Works Financing		220,853
Less: Capital Injection not drawn in 2022-23		(72,464)
<b>Capital Injection from Government per Cash Flow Statement</b>		<b>148,389</b>
<b>Reconciliation of Total Current Year Actual Expenditure - Against Financing</b>		
Total Current Year Capital Works Expenditure		132,326
Add: Expenditure for other Commonwealth-funded Capital Injection Projects		10,910
Add: Expenditure for other BIF Capital Injection Projects (reported as financially completed in 21-22)		50
Add: PPP		11,041
Add: Accruals 2021-22		1,028
Less: Accruals 2022-23		(1,364)
Less: MPC fee 2022-23		(5,602)
<b>Capital Injection from Government per Cash Flow Statement</b>		<b>148,389</b>
<b>Reconciliation of Total Current Year Actual Expenditure</b>		
Total Current Year Capital Works Expenditure		132,326
Add: WIP Expenditure for other Capital Injection Projects (off budget, commonwealth, PPP)		10,368
Add: WIP Expenditure for		10
Add: Accruals 2021-22		1,028
Less: Accruals 2022-23		(1,364)
Less: MPC fee 2022-23		(5,602)
<b>Total payments from Investing Activities as per Cash Flow Statement</b>		<b>136,766</b>

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## C4 Asset Management

TCCS delivered a wide range of services to the ACT community on behalf of the ACT Government. Much of this relied on the planning, development and management of a significant and diverse range of assets valued at \$11.71 billion in 2022-23.

The largest asset category was infrastructure assets (\$7.87 billion) including roads, bridges, stormwater, streetlights, community paths, community sporting facilities, traffic signals, waste and recycling assets.

During the reporting period, the Directorate reassessed the value of assets in accordance with the [ACT Accounting Policy](#), resulting in an increase of the asset value of \$0.13 billion.

During 2022-23, 588 assets totalling \$114.58 million were added to the TCCS asset register, primarily Infrastructure assets (405 assets, \$86.29 million) and Plant and Equipment assets (128 assets, \$13.71 million).

During 2022-23, 77 assets totalling \$4.05 million were removed from the TCCS asset register, this included the transfer of Birrigai Outdoor School assets to the Education Directorate.

### Strategic Asset Management Framework

The TCCS Strategic Asset Management Framework encompasses a set of systems, processes and documents which support the Directorate in meeting its asset management responsibilities whilst also efficiently meeting the requirements of the community. The Framework enables the Directorate to promote the financial sustainability of TCCS assets through 'whole of life' and 'whole of organisation' approaches. It is also the strategic document which underpins the development of policies, strategies and plans, and informs the community of government aspirations, service level requirements and investment decisions.

### Asset Maintenance and Upgrade

Excluding capital works, allocation to capital upgrades in 2022-23 (through the Better Infrastructure Fund) totalled \$21.2 million, consisting of:

- > Active travel - \$1.8 million;
- > Bus engine overhauls and other upgrades - \$2.9 million;
- > Open space improvements play space upgrades - \$3.4 million;

- > Road infrastructure safety - \$3.6 million;
- > Sport facility improvements - \$1.8 million;
- > Water resources and stormwater improvements - \$2.8 million; and
- > Public realm improvements - \$4.3 million

Table 28: TCCS asset valuation as at 30 June 2023

Asset	Value (\$'million)	Revaluation Increment/ (Decrement) (\$'million)
Infrastructure	7,870	29
Heritage and community	3,581	56
Plant and equipment	76	6
Buildings	105	15
Land	70	22
Leasehold improvements	4	N/A
Intangible assets	5	(0.2)
<b>Total</b>	<b>11,711</b>	<b>128</b>

Table 29: TCCS asset valuation as at 30 June 2023

Asset type	Amount (unit)
Roads	3,208 kilometres
Bridges and culverts	1,300
Footpaths	2,699 kilometres
Streetlights (lamps)	86,531
Stormwater	4,029 pipe kilometres
Cycle lanes (on road)	602 kilometres
Cycle paths (off road)	514 kilometres
Urban open space	6,445 hectares
Lakes and ponds	390 hectares
Urban trees	823,768
Playgrounds	522
Sportsgrounds	422 hectares (282 hectares irrigated)
Barbeques	119

### Office Accommodation

As at 30 June 2023, TCCS employed 2,306 people, of which 1,648 were in non-office environments working in occupations such as Bus Operations, Horticulturists, Laundry Assistants, Arborists and Road Maintenance teams.

The Directorate occupied a total of 11,952 square metres of office space across four locations, with the primary office location at 480 Northbourne Avenue

in Dickson. The total area of 480 Northbourne Avenue amounts to 13,894 square metres, of which TCCS occupies 5,419 square metres. Of the TCCS employees working from this location on 30 June 2023, there is a capacity rate of 54 square metres per employee.

TCCS office based staff continued to operate in a hybrid and flexible arrangement which combines office-based work and working from home. The Directorate's facilities also include non-service based locations, such as City Services depots.

Table 30: Office utilisation at 30 June 2023

Location	Address	Staff Numbers (on site 30 June)	Area occupied (m <sup>2</sup> )
480 Northbourne Avenue	480 Northbourne Avenue, Dickson	101	5,419
255 Canberra Avenue	255 Canberra Avenue, Fyshwick	20	2,781
Tuggeranong Bus Depot (Administration)	Scollay Street, Tuggeranong	16	2,401
Belconnen Bus Depot (Administration)	5 Cohen Street, Belconnen	20	1,351
<b>Total</b>		<b>157</b>	<b>11,952</b>

# C5 Government Contracting

All procurement processes within the Directorate are required to comply with the procurement legislative framework including the [Government Procurement Act 2001](#), [Government Procurement Regulation 2007](#) and subordinate guidelines and circulars.

For all procurements over \$200,000, TCCS engaged the services of Procurement ACT and the Major Projects Canberra Infrastructure Delivery Partnership Group, and where necessary, the ACT Government Solicitors Office. TCCS is aware of the Legal Services Directions requiring the Government Solicitors Office to review contracts above the value of \$50 million.

Whole of government panels are leveraged where appropriate, including the Training Panel for the provision of safety training in areas such as chemical handling, crystalline silica exposure prevention and tree felling, and frontline operational management. Through the Training Panel TCCS engaged ten providers to the value of \$492,000.

The online ACT Government Contracts Register records contracts with suppliers of goods, services and works, with a value of \$25,000 or more. A full search of TCCS contracts notified with an execution date from 1 July 2022 to 30 June 2023 can be made at <https://www.tenders.act.gov.au/contracts/search>.

Procurement expenditures are approved by appropriate Directorate delegates and TCCS continues to be responsible for the management of contracts, excluding infrastructure contracts outsourced to Major Projects Canberra. TCCS continues to provide training opportunities for staff undertaking procurement and contract management.

A competitive procurement process is conducted wherever possible and any select or single select procurement are approved by the Director-General and completed following the provisions of the [Government Procurement Regulation 2007](#).

TCCS has demonstrated a commitment to the implementation of the [ACT Government Procurement Framework](#), including the [Government Procurement \(Charter of Procurement Values\) Direction 2020](#) and procurement policies. Social procurement and the application of the [Aboriginal and Torres Strait Islander Procurement Policy](#) is considered wherever possible, and several procurement processes have been designed to require or encourage, either directly or by subcontract, the delivery of goods and services.

## Secure Local Jobs Code

TCCS continues to actively implement the requirements of the [Secure Local Jobs Code](#), including the [Government Procurement \(Ethical Treatment of Workers Evaluation\) Direction 2021](#), by engaging the Secure Local Jobs Office to provide additional training to TCCS staff to improve awareness and understanding of the Code.

## Exemptions under 22G

The Directorate obtained five exemptions from the requirements of section 22G of the Government Procurement Act 2001, details are given in [Table 31](#).

## Exemptions under 22H

No exemptions were obtained under section 22H of the *Government Procurement Act 2001*.

## Aboriginal and Torres Strait Islander Procurement Policy

The Directorate measured its performance against the Aboriginal and Torres Strait Islander Procurement Policy measures:

**Measure 1** - The number of unique Aboriginal and Torres Strait Islander enterprises that respond to Territory tender and quotation opportunities issues from the Approved Systems:

- > Seven unique Aboriginal and Torres Strait Islander Enterprises responded to the reporting entity's tender and quotation opportunities in 2022-23.

**Measure 2** - The number of unique Aboriginal and Torres Strait Islander enterprises attributed a value of Addressable Spend in the financial year:

- > Twenty five unique Aboriginal and Torres Strait Islander Enterprises attributed a value of addressable spend in the 2022-23 financial year.

**Measure 3** - Percentage of the financial year's Addressable Spend that is spent with Aboriginal and Torres Strait Islander enterprises:

- > In 2022-23, a total of \$1.72 million, representing 0.94 per cent of the financial year's addressable spend, was spent with Aboriginal and Torres Strait Islander Enterprises.

Table 31: Exemptions under 22G of the Government Procurement Act 2001

Date Granted	Procurement details	Exemption details	Notes
10/02/2023	Replacement of safety net Narrabundah ball-park	22G(4)	Other parts of 22G were not granted exemption.
28/06/2023	Tuggeranong skate park	22G(1)(a)	Exemption to accept responses without being certified. Certificate will be needed for works.
22/12/2022	Material Recovery Facility	22G	Exemption only for the EOI stage.
03/08/2022	Monaro Highway works	22G	Movement of services Optus and Vocus
03/08/2022	Kent Street and Novar Street upgrades	22G	Movement of services Telstra

## INDEPENDENT LIMITED ASSURANCE REPORT

### To the Members of the ACT Legislative Assembly

#### Conclusion

I have undertaken a limited assurance engagement on the statement of performance of the Transport Canberra and City Services Directorate (Directorate) for the year ended 30 June 2023.

Based on the procedures performed and evidence obtained, nothing has come to my attention to indicate the results of the accountability indicators reported in the statement of performance for the year ended 30 June 2023 are not in agreement with the Directorate's records or do not fairly reflect, in all material respects, the performance of the Directorate, in accordance with the *Financial Management Act 1996*.

#### Basis for conclusion

I have conducted the engagement in accordance with the Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. My responsibilities under the standard and legislation are described in the 'Auditor-General's responsibilities' section of this report.

I have complied with the independence and other relevant ethical requirements relating to assurance engagements, and the ACT Audit Office applies Australian Auditing Standard ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*.

I believe that sufficient and appropriate evidence was obtained to provide a basis for my conclusion.

#### The Directorate's responsibilities for the statement of performance

The Director-General is responsible for:

- preparing and fairly presenting the statement of performance in accordance with the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*; and
- determining the internal controls necessary for the preparation and fair presentation of the statement of performance so that the results of accountability indicators and accompanying information are free from material misstatements, whether due to error or fraud.

#### Auditor-General's responsibilities

Under the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*, the Auditor-General is responsible for issuing a limited assurance report on the statement of performance of the Directorate.

My objective is to provide limited assurance on whether anything has come to my attention that indicates the results of the accountability indicators reported in the statement of performance are not in agreement with the Directorate's records or do not fairly reflect, in all material respects, the performance of the Directorate, in accordance with the *Financial Management Act 1996*.

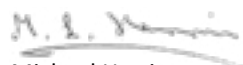
In a limited assurance engagement, I perform procedures such as making inquiries with representatives of the Directorate, performing analytical review procedures and examining selected evidence supporting the results of accountability indicators. The procedures used depend on my judgement, including the assessment of the risks of material misstatement of the results reported for the accountability indicators.

**Limitations on the scope**

The procedures performed in a limited assurance engagement are less in extent than those required in a reasonable assurance engagement and consequently the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, I do not express a reasonable assurance opinion on the statement of performance.

This limited assurance engagement does not provide assurance on the:

- relevance or appropriateness of the accountability indicators reported in the statement of performance or the related performance targets;
- accuracy of explanations provided for variations between actual and targeted performance due to the often subjective nature of such explanations; or
- adequacy of controls implemented by the Directorate.



Michael Harris  
Auditor-General  
27 September 2023

**Transport Canberra and City Services Directorate  
Statement of Performance  
For the Year Ended 30 June 2023**

**Statement of Responsibility**

In my opinion, the Statement of Performance is in agreement with Directorate's records and fairly reflects the service performance of the Directorate for the year ended 30 June 2023 and also fairly reflects the judgements exercised in preparing it.



Karen Doran  
A/g Director-General  
Transport Canberra and City Services Directorate  
26 September 2023

<b>Transport Canberra and City Services Directorate</b> <b>Statement of Performance</b> <b>For the Year Ended 30 June 2023</b>	
<b>Output Class 1:</b> <b>Output 1.1:</b> <b>Description:</b>	<b>Transport Canberra</b> <b>Transport Canberra</b> Transport Canberra includes oversight of the Government subsidy paid to bus and light rail operations, the strategic oversight of the public transport network, public transport asset management and the Active Travel Office.

	Original Target 2022-23	Actual Result 2022-23	Variance from Original Target	Explanation of Material Variances (>= +/- 5%)
<b>TOTAL COST (\$'000)</b>	<b>214,947</b>	<b>220,894</b>	<b>3%</b>	
<b>CONTROLLED RECURRENT PAYMENTS (\$'000)</b>	<b>213,241</b>	<b>220,615</b>	<b>3%</b>	
<b>Accountability Indicators</b>				
<b>Light Rail</b>				
a. Customer satisfaction with light rail services as assessed by passenger survey <sup>1</sup>	85%	89%	5%	Higher than targeted result is mainly due to the positive customer experience travelling on light rail mainly attributed to convenience, cleanliness, good, reliable and frequent services.
<b>Active Travel Office</b>				
b. Customer satisfaction with access to cycle and walking paths <sup>1</sup>	85%	84%	(1%)	
<b>Bus Operations</b>				
c. Customer satisfaction with bus operations services as assessed by passenger survey <sup>1</sup>	85%	78%	(8%)	Lower than targeted result is mainly due to the reduced frequency of services provided and the negative impact of major construction works on the bus travel times.
d. Percentage of in service fleet fully compliant with standards under the <i>Disability Discrimination Act 1992</i> <sup>2</sup>	100%	96%	(4%)	DDA requirements are met through the bus replacement program which has been subject to supply chain delays.

The above Accountability Indicators should be read in conjunction with the accompanying notes.

The above Accountability Indicators were examined by the ACT Audit Office in accordance with the *Financial Management Act 1996*. The Total Cost and Controlled Recurrent Payments measures were not examined by the ACT Audit Office in accordance with the *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*.

#### Explanation of Accountability Indicators

<sup>1</sup> Customer satisfaction is measured from responses to an annual survey undertaken by an external provider on behalf of the Directorate. The survey seeks customer views on the Directorate's core service delivery responsibilities including library services, infrastructure services (including roads and community paths), waste collection, parks and open spaces, and public transport. The response is collected through a telephone survey over a one week period. The respondents are asked to rate services across four ratings which were 'Very Satisfied', 'Satisfied', 'Dissatisfied' and 'Very Dissatisfied'. Minimum sample size for this survey is 1,000.

<sup>2</sup> The *Disability Discrimination Act 1992* (DDA) details the accessibility specifications of a bus required to achieve compliance. The Act requires full compliance by December 2022.

Transport Canberra and City Services Directorate Statement of Performance For the Year Ended 30 June 2023					
City Services					
Roads and Infrastructure					
Management of the Territory's road and associated assets, stormwater infrastructure, community paths, bridges, traffic signals, streetlights and car parks. This output also includes the provision of road safety policy, asset information services, capital works and development approvals relating to the acceptance of new infrastructure assets.					
Output Class 2: Output 2.1: Description:					
	Original Target 2022-23	Actual Result 2022-23	Variance from Original Target	Explanation of Material Variances (>= +/- 5%)	
TOTAL COST (\$'000)	266,000	286,582	8%	Higher than targeted result is mainly due to: 1) capital project expenditure that did not meet the asset capitalisation criteria; and 2) higher than budgeted depreciation expenses.	
CONTROLLED RECURRENT PAYMENTS (\$'000)	107,721	108,015	0%		
Accountability Indicators					
Roads					
a. Annual percentage of territorial roads resurfaced <sup>1</sup>	6%	7%	17%	Higher than targeted result is mainly due to increased resurfacing investment through the Local Roads and Community Infrastructure Program targeting territorial roads.	
b. Annual percentage of municipal roads resurfaced	3%	3%	0%		
c. Percentage of customers satisfied with the public road network <sup>2</sup>	>75%	69%	(100%)	Lower than targeted result is mainly due to the increased number of potholes on the road network caused by the extended periods of very wet weather associated with the La Niña effect.	
d. Annual resurfacing coverage <sup>3</sup> across the sealed road network <sup>4</sup> (in m <sup>2</sup> )	>1,000,000 m <sup>2</sup>	1,030,417 m <sup>2</sup>	-		
e. Percentage of bridges that meet SM1600 standard on the B Double Network <sup>5</sup>	>80%	86%	-		
f. Increase in length (km) of community paths including cycle lanes <sup>6</sup>	60	34	(43%)	This measure is influenced by both creation of new paths through TCCS capital and Better Infrastructure Fund programs, and also by gifting of path assets created by land developers. Targets are set assuming similar rates of asset increases to previous equivalent periods. During the reporting period less than anticipated path assets were received, which is mainly due to the timing difference between completing the construction works and completion of asset acceptance process.	

<b>Transport Canberra and City Services Directorate</b> <b>Statement of Performance</b> <b>For the Year Ended 30 June 2023</b>	
<b>Output Class 2:</b> <b>Output 2.1:</b> <b>Description:</b>	<b>City Services</b> <b>Roads and Infrastructure</b> Management of the Territory's road and associated assets, stormwater infrastructure, community paths, bridges, traffic signals, streetlights and car parks. This output also includes the provision of road safety policy, asset information services, capital works and development approvals relating to the acceptance of new infrastructure assets.

	Original Target 2022-23	Actual Result 2022-23	Variance from Original Target	Explanation of Material Variances (>= +/- 5%)
g. Percentage of customers satisfied with the maintenance of community paths <sup>2</sup>	75%	73%	(3%)	
<b>Asset Acceptance</b>				
h. Responses on Development Applications referred from the Environment, Planning and Sustainable Development Directorate completed within agreed timeframes <sup>7</sup>	85%	79%	(7%)	Lower than targeted result is mainly due to increasing complexity of submissions associated with urban infill developments, which are taking longer to complete.
i. Respond to developers' submissions within adopted timeframes <sup>8</sup>	85%	64%	(25%)	Lower than targeted result is mainly due to increasing complexity of submissions associated with urban infill developments and submissions that required significant consultation with various stakeholders.

The above Accountability Indicators should be read in conjunction with the accompanying notes.

The above Accountability Indicators were examined by the ACT Audit Office in accordance with the *Financial Management Act 1996*. The Total Cost and Controlled Recurrent Payments measures were not examined by the ACT Audit Office in accordance with the *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*.

#### Explanation of Accountability Indicators

- 1 Territorial roads are sealed major roads that have the principal function of an avenue for movements linking town centres and suburbs. Territorial roads are defined as NAASRA (National Association of Australian State Road Authorities) Class 1,2,3 and 6. This indicator is measured using an industry standard survey that assesses one third of the territorial road network annually.
- 2 Customer satisfaction is measured from responses to an annual survey undertaken by an external provider on behalf of the Directorate. The survey seeks customer views on the Directorate's core service delivery responsibilities including library services, infrastructure services (including roads and community paths), waste collection, parks and open spaces, and public transport. The response is collected through a telephone survey over a one week period. The respondents are asked to rate services across four ratings which were 'Very Satisfied', 'Satisfied', 'Dissatisfied' and 'Very Dissatisfied'. Minimum sample size for this survey is 1,000.
- 3 Resurfacing coverage includes preventative and corrective treatments to the road pavement.
- 4 Sealed road network includes both territorial and municipal roads.
- 5 SM1600 standard is a theoretical loading designated by Australian Standards 5100:2004 Bridge Design which should ensure that bridges can carry future vehicle loadings.
- 6 This is a new indicator measuring increases in the overall community path network including on-road cycle lanes.
- 7 Agreed timeframe is 15 working days.
- 8 Adopted timeframe is 20 working days.

<b>Transport Canberra and City Services Directorate</b> <b>Statement of Performance</b> <b>For the Year Ended 30 June 2023</b>				
<b>Output Class 2:</b> <b>Output 2.2:</b> <b>Description:</b>				
<b>City Services</b> <b>Library Services</b> Provision of library services to the community through the Libraries ACT's branches, home library service, the ACT Virtual Library and the Heritage Library.				
	Original Target 2022-23	Actual Result 2022-23	Variance from Original Target	Explanation of Material Variances (≥ +/- 5%)
<b>TOTAL COST (\$'000)</b>	20,859	20,976	1%	
<b>CONTROLLED RECURRENT PAYMENTS (\$'000)</b>	16,846	17,339	3%	
<b>Accountability Indicators</b>				
a. Physical visits to libraries per capita <sup>1</sup>	5.0	2.9	(42%)	Lower than targeted result is mainly due to: (1) customers altering their use and interaction with library services in recent years; and (2) the increased use of digital resources which do not require physical visit to a library.
b. Items borrowed per capita <sup>1,2</sup>	7.5	5.0	(33%)	Lower than targeted result is mainly due to: (1) users making borrowing reservations and not browsing to borrow a number of items; and (2) population growth in areas of Canberra where there is no public library.
c. Percentage of population who are registered library members <sup>3</sup>	55%	45%	(18%)	Lower than targeted result is mainly due to: (1) change in customer behaviour in libraries following the COVID-19 pandemic; and (2) population growth.
d. Customer satisfaction with library services <sup>4</sup>	90%	93%	3%	
e. Direct cost of public library services per capita <sup>1</sup>	\$35.50	\$33.65	(5%)	Lower than targeted result is due to: (1) delays in procurement and contract negotiations with collection vendors as well as availability of desired material formats; and (2) population growth.
f. Percentage of library collection purchased in previous five years	60%	69%	15%	Higher than targeted result is mainly due to: (1) the removal of large number of aged items from the collection in the last few years; and (2) an increase in the quantity of new materials purchased.
g. Number of hours assisting client research in the ACT Heritage Library	650	564	(13%)	Lower than targeted result is due to a number of heritage resources now being available through digital means which is affecting customer behaviour towards self-service requests and requiring less assistance by library staff.
h. Percentage of participants with a learning outcome from library programs <sup>5</sup>	90%	91%	1%	
The above Accountability Indicators should be read in conjunction with the accompanying notes.				

<b>Transport Canberra and City Services Directorate</b> <b>Statement of Performance</b> <b>For the Year Ended 30 June 2023</b>	
<b>Output Class 2:</b> <b>Output 2.2:</b> <b>Description:</b>	<b>City Services</b> <b>Library Services</b> Provision of library services to the community through the Libraries ACT's branches, home library service, the ACT Virtual Library and the Heritage Library.

The above Accountability Indicators were examined by the ACT Audit Office in accordance with the *Financial Management Act 1996*. The Total Cost and Controlled Recurrent Payments measures were not examined by the ACT Audit Office in accordance with the *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*.

**Explanation of Accountability Indicators**

- 1 The 2022-23 target is based on an ACT population of 456,000.
- 2 This includes physical loans as well as digital loans.
- 3 The 2022-23 target is based on an ACT population of 456,000 with 55 per cent of the population representing approximately 252,065 library members.
- 4 Customer satisfaction is measured from responses to an annual survey undertaken by an external provider on behalf of the Directorate. The survey seeks customer views on the Directorate's core service delivery responsibilities including library services, infrastructure services (including roads and community paths), waste collection, parks and open spaces, and public transport. The response is collected through a telephone survey over a one week period. The respondents are asked to rate services across four ratings which were 'Very Satisfied', 'Satisfied', 'Dissatisfied' and 'Very Dissatisfied'. Minimum sample size for this survey is 1,000.
- 5 Library programs and events offer people opportunities to learn and link them to library resources to further their learning and use of the library. The result of this indicator is measured through a survey completed by the participants.

Transport Canberra and City Services Directorate Statement of Performance For the Year Ended 30 June 2023					
Output Class 2: Output 2.3: Description:	City Services Waste and Recycling Provision of domestic waste, recyclables and green waste collection services, operation of resource management and recycling centres, development of waste policy, and implementation and evaluation of waste management programs.				
	Original Target 2022-23	Actual Result 2022-23	Variance from Original Target	Explanation of Material Variances (>= +/- 5%)	
TOTAL COST (\$'000)	76,570	79,500	4%		
CONTROLLED RECURRENT PAYMENTS (\$'000)	48,209	51,817	7%	Higher than targeted result is mainly due to additional appropriation through the Treasurer's Advance associated with additional costs of transporting and processing of domestic and comingled recycling following the fire at the Mitchell Recovery Facility in December 2022 and increased waste management contract costs associated with higher than expected fuel prices.	
Accountability Indicators					
a. Percentage of customers satisfied with waste collection services <sup>1</sup>	>90%	89%	(100%)	Lower than targeted result is due to concerns around future resource recovery initiatives such as single use plastics and issues with bin collection, including frequency of collections, bin size and lack of food waste collections.	
b. Operating cost of Mugga Lane landfill per tonne of waste	\$19.89	\$24.29	22%	Higher than targeted result is due to increased fuel costs, higher consumer price index rates, as well as increased site plant and equipment maintenance costs.	
c. Annual cost of domestic household waste collection services per head of population <sup>2</sup>	\$22.44	\$22.91	2%		
d. Annual cost of domestic household recycling collection services per head of population <sup>2</sup>	\$12.59	\$13.93	11%	Higher than targeted result is due to elevated contractual costs associated with higher fuel costs and increased consumer price index rate.	
e. Container redemption rate (in relation to the Container Deposit Scheme) <sup>3</sup>	60%	63%	5%	Higher than targeted result is due to the availability of a greater variety of convenient collection points for container deposits.	
f. Annual tonnes of ACT household waste to landfill per head of population <sup>2</sup>	0.187	0.173	(7%)	Lower than targeted result is mainly due to higher than expected population growth and Canberrans returning to their workplaces after the pandemic which has reduced household waste.	
g. Annual tonnes of ACT household comingled recycling per head of population <sup>2</sup>	0.075	0.064	(15%)	Lower than targeted result is mainly due to higher than expected population growth and Canberrans returning to their workplaces after the pandemic which has reduced household waste.	

<b>Transport Canberra and City Services Directorate</b> <b>Statement of Performance</b> <b>For the Year Ended 30 June 2023</b>				
<b>City Services</b> <b>Waste and Recycling</b> Provision of domestic waste, recyclables and green waste collection services, operation of resource management and recycling centres, development of waste policy, and implementation and evaluation of waste management programs.				
<b>Output Class 2:</b> <b>Output 2.3:</b> <b>Description:</b>				
	Original Target 2022-23	Actual Result 2022-23	Variance from Original Target	Explanation of Material Variances (>= +/- 5%)
h. Annual tonnes of ACT household organics per head of population <sup>2</sup>	0.065	0.055	(15%)	Lower than targeted result is mainly due to less significant wet weather events compared to prior periods affecting the volume of garden waste and higher than anticipated population growth.
i. Percentage of material recovered from the ACT household total waste stream <sup>2,4</sup>	43.0%	44.0%	2%	
j. Annual cost of domestic garden organics collection service per head of population (green lids) <sup>2</sup>	\$12.75	\$13.92	9%	Higher than targeted result is mainly due to elevated contractual costs associated with higher fuel costs and higher than anticipated consumer price index rate.
k. Percentage of mattress components recovered from mattress recycling initiative <sup>5</sup>	78%	57%	(27%)	Lower than targeted result is mainly due to: (1) the changing nature of mattresses which are using less recoverable materials such as memory foam and latex instead of traditional recoverable materials; and (2) wet weather deteriorating the materials and contributing to higher tonnages of unrecoverable materials going to landfill.
l. Resource recovery rate from the ACT household bulky waste service <sup>6</sup>	>30%	35%	-	

The above Accountability Indicators should be read in conjunction with the accompanying notes.

The above Accountability Indicators were examined by the ACT Audit Office in accordance with the *Financial Management Act 1996*. The Total Cost and Controlled Recurrent Payments measures were not examined by the ACT Audit Office in accordance with the *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*.

#### Explanation of Accountability Indicators

- Customer satisfaction is measured from responses to an annual survey undertaken by an external provider on behalf of the Directorate. The survey seeks customer views on the Directorate's core service delivery responsibilities including library services, infrastructure services (including roads and community paths), waste collection, parks and open spaces, and public transport. The response is collected through a telephone survey over a one week period. The respondents are asked to rate services across four ratings which were 'Very Satisfied', 'Satisfied', 'Dissatisfied' and 'Very Dissatisfied'. Minimum sample size for this survey is 1,000.
- The 2022-23 target is based on an ACT population of 456,000.
- This indicator measures the maximum number of eligible containers recovered and recycled under the Scheme compared to the total containers supplied into the ACT.
- This indicator measures resource recovery from ACT household waste by comparing materials recovered through recycling and green household waste to the total household waste.
- This indicator measures resource recovery from mattress recycling initiative by comparing tonnages of mattress materials recovered to the total mattress tonnages.
- This indicator measures resource recovery from the ACT household bulky waste initiative by comparing the tonnages of materials recovered to the total tonnages of household bulky waste.

Transport Canberra and City Services Directorate Statement of Performance For the Year Ended 30 June 2023					
City Services City Maintenance and Services Planning and management of the Territory's parks and urban open space system including associated community infrastructure, maintaining the look and feel of the city, and managing the urban forest and sportsgrounds facilities. The Directorate also provides advice, education and compliance services in relation to municipal ranger functions, domestic animal management, plant and animal licensing and significant tree protection. This output also includes Yarralumla Nursery and Birrigai.					
	Original Target 2022-23	Actual Result 2022-23	Variance from Original Target	Explanation of Material Variances (≥ = +/- 5%)	
TOTAL COST (\$'000)	139,697	150,338	8%	Higher than targeted result is mainly due to: 1) capital project expenditure that did not meet the asset capitalisation criteria; and 2) higher than budgeted depreciation expenses.	
CONTROLLED RECURRENT PAYMENTS (\$'000)	95,164	93,310	(2%)		
Accountability Indicators					
a. Percentage of customers satisfied with the management of sportsgrounds <sup>1</sup>	85%	86%	1%		
b. Average length of time taken to re-unite animals from the Domestic Animal Shelter with their owner <sup>2</sup>	2 days	3 days	(50%)	Higher than targeted result is due to reduced staffing on Sundays and Public Holidays which affects the ability to meet the two day target. In some cases, dog owners who surrender their animals may have a change of mind and re-claim their dog, which also affects the result.	
c. Percentage of seized dog cases where the holding period has not exceeded the statutory period of 28 days <sup>3</sup>	70%	52%	(26%)	Lower than targeted result is mainly due to staffing availability and the availability of evidence such as witness evidence and/or canine behaviour assessments.	
d. Percentage of saleable stray and abandoned dogs re-homed	90%	100%	11%	Higher than targeted result is mainly due to a continued focus by Domestic Animal Services staff to re-home dogs or to re-unite them with their owners under control orders as part of the 'Engage, educate, enforce' approach to compliance.	

<b>Transport Canberra and City Services Directorate</b> <b>Statement of Performance</b> <b>For the Year Ended 30 June 2023</b>	
<b>Output Class 2:</b> <b>Output 2.4:</b> <b>Description:</b>	<b>City Services</b> <b>City Maintenance and Services</b> Planning and management of the Territory's parks and urban open space system including associated community infrastructure, maintaining the look and feel of the city, and managing the urban forest and sportsgrounds facilities. The Directorate also provides advice, education and compliance services in relation to municipal ranger functions, domestic animal management, plant and animal licensing and significant tree protection. This output also includes Yarralumla Nursery and Birrigai.

	Original Target 2022-23	Actual Result 2022-23	Variance from Original Target	Explanation of Material Variances (≥ ± 5%)
e. Remove abandoned vehicles on unleased land within nine calendar days	100%	50%	(50%)	Lower than targeted result is mainly due to: (1) processing delays associated with the new reporting and management system; (2) delays by a towing contractor; and (3) a number of operational issues such as location and sighting of cars, clarification of land ownership and communication with vehicle owners.
f. Percentage of playgrounds subject to an independent, detailed (Level 3) annual playground safety audits <sup>4</sup>	100%	100%	0%	
g. Percentage of tree plantings completed against target <sup>5</sup>	90%	70%	(22%)	Lower than targeted result is mainly due to (1) delays in the establishment of the tree planting panel which limited the availability of contractors during the spring planting period; (2) difficulties in sourcing suitable planting sites; (3) high staff turnover within the planting team leading to increased resources directed to training; and (4) delays in the volunteer planting program associated with frequent wet weather.
h. Annual operating cost per hectare of actively maintained park land is less than benchmarked median across Australia <sup>6</sup>	<\$17,415	\$17,027	-	
<b>Yarralumla Nursery</b>				
i. Plant spoilage within industry standard	<10%	7%	-	

The above Accountability Indicators should be read in conjunction with the accompanying notes.

The above Accountability Indicators were examined by the ACT Audit Office in accordance with the *Financial Management Act 1996*. The Total Cost and Controlled Recurrent Payments measures were not examined by the ACT Audit Office in accordance with the *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*.

<b>Transport Canberra and City Services Directorate</b> <b>Statement of Performance</b> <b>For the Year Ended 30 June 2023</b>	
<b>Output Class 2:</b> <b>Output 2.4:</b> <b>Description:</b>	<b>City Services</b> <b>City Maintenance and Services</b> Planning and management of the Territory's parks and urban open space system including associated community infrastructure, maintaining the look and feel of the city, and managing the urban forest and sportsgrounds facilities. The Directorate also provides advice, education and compliance services in relation to municipal ranger functions, domestic animal management, plant and animal licensing and significant tree protection. This output also includes Yarralumla Nursery and Birrigai.

#### Explanation of Accountability Indicators

- 1 Customer satisfaction is measured from responses to an annual survey undertaken by an external provider on behalf of the Directorate. The survey seeks customer views on the Directorate's core service delivery responsibilities including library services, infrastructure services (including roads and community paths), waste collection, parks and open spaces, and public transport. The response is collected through a telephone survey over a one week period. The respondents are asked to rate services across four ratings which were 'Very Satisfied', 'Satisfied', 'Dissatisfied' and 'Very Dissatisfied'. Minimum sample size for this survey is 1,000.
- 2 This is a new indicator in the 2022-23 financial year measuring the time taken to re-unite animals from the DAS with their owner.
- 3 This is a new indicator measuring the ability of Domestic Animal Services to conduct investigations into alleged matters in a timely manner.
- 4 The Level 3 inspections are annual external comprehensive compliance audits undertaken at play spaces across the ACT. The audits ensure that the Australian Standards are met with respect to the equipment, surfaces, structures, configuration and amenities present at our play spaces.
- 5 This indicator measures the number of new tree plantings excluding any gifted trees or those planted as part of the capital works program.
- 6 This indicator is benchmarked against other Councils across Australia and is supported by the Yardstick Park Benchmarks report.

<b>Transport Canberra and City Services Directorate</b> <b>Statement of Performance</b> <b>For the Year Ended 30 June 2023</b>				
<b>Output Class 2:</b> <b>Output 2.5:</b> <b>Description:</b>				
<b>City Services</b> <b>Capital Linen Service</b> Capital Linen Service provides a managed linen service to a range of customers including public and private hospitals, health and aged care providers, hotels, restaurants, major tourist attractions, educational institutions and emergency services.				
	<b>Original Target</b> 2022-23	<b>Actual Result</b> 2022-23	<b>Variance from</b> <b>Original Target</b>	<b>Explanation of Material Variances</b> ( $\geq \pm 5\%$ )
<b>TOTAL COST (\$'000)</b>	18,333	18,960	3%	
<b>Accountability Indicators</b>				
a. Retain certification of Quality Management System Standard AS/NZS ISO 9001	100%	100%	0%	
b. Percentage of all linen items ordered delivered in full <sup>1</sup>	98.8%	98.9%	0%	

The above Accountability Indicators should be read in conjunction with the accompanying notes.

The above Accountability Indicators were examined by the ACT Audit Office in accordance with the *Financial Management Act 1996*. The Total Cost measure was not examined by the ACT Audit Office in accordance with the *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*.

**Explanation of Accountability Indicators**

<sup>1</sup> This indicator measures the performance of the services being provided by comparing the goods ordered to goods finalised and delivered in the reporting period.

## INDEPENDENT LIMITED ASSURANCE REPORT

### To the Members of the ACT Legislative Assembly

#### Conclusion

I have undertaken a limited assurance engagement on the statement of performance of Transport Canberra Operations for the year ended 30 June 2023.

Based on the procedures performed and evidence obtained, nothing has come to my attention to indicate the results of the accountability indicators reported in the statement of performance for the year ended 30 June 2023 are not in agreement with Transport Canberra Operations' records or do not fairly reflect, in all material respects, the performance of Transport Canberra Operations, in accordance with the *Financial Management Act 1996*.

#### Basis for conclusion

I have conducted the engagement in accordance with the Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. My responsibilities under the standard and legislation are described in the 'Auditor-General's responsibilities' section of this report.

I have complied with the independence and other relevant ethical requirements relating to assurance engagements, and the ACT Audit Office applies Australian Auditing Standard ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*.

I believe that sufficient and appropriate evidence was obtained to provide a basis for my conclusion.

#### Transport Canberra Operations' responsibilities for the statement of performance

The Director-General of the Transport Canberra and City Services Directorate is responsible for:

- preparing and fairly presenting the statement of performance in accordance with the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*; and
- determining the internal controls necessary for the preparation and fair presentation of the statement of performance so that the results of accountability indicators and accompanying information are free from material misstatements, whether due to error or fraud.

#### Auditor-General's responsibilities

Under the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*, the Auditor-General is responsible for issuing a limited assurance report on the statement of performance of Transport Canberra Operations.

My objective is to provide limited assurance on whether anything has come to my attention that indicates the results of the accountability indicators reported in the statement of performance are not in agreement with Transport Canberra Operations' records or do not fairly reflect, in all material respects, the performance of Transport Canberra Operations, in accordance with the *Financial Management Act 1996*.

In a limited assurance engagement, I perform procedures such as making inquiries with representatives of Transport Canberra Operations, performing analytical review procedures and examining selected evidence supporting the results of accountability indicators. The procedures used depend on my judgement, including the assessment of the risks of material misstatement of the results reported for the accountability indicators.

#### **Limitations on the scope**

The procedures performed in a limited assurance engagement are less in extent than those required in a reasonable assurance engagement and consequently the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, I do not express a reasonable assurance opinion on the statement of performance.

This limited assurance engagement does not provide assurance on the:

- relevance or appropriateness of the accountability indicators reported in the statement of performance or the related performance targets;
- accuracy of explanations provided for variations between actual and targeted performance due to the often subjective nature of such explanations; or
- adequacy of controls implemented by Transport Canberra Operations.



Ajay Sharma  
Assistant Auditor-General, Financial Audit  
27 September 2023

**Transport Canberra Operations  
Statement of Performance  
For the Year Ended 30 June 2023**

**Statement of Responsibility**

In my opinion, the Statement of Performance is in agreement with Transport Canberra Operations' records and fairly reflects the service performance of the Transport Canberra Operations for the year ended 30 June 2023 and also fairly reflects the judgements exercised in preparing it.

A handwritten signature in dark ink, appearing to read 'K. Doran' followed by a horizontal line.

Karen Doran  
A/g Director-General  
Transport Canberra and City Services Directorate  
26 September 2023

Transport Canberra Operations Statement of Performance For the Year Ended 30 June 2023				
Output Class 1: Output 1.1: Description: Transport Canberra Operations includes the provision of an integrated public transport network and school bus services, including a range of rapid and regular route services within Canberra suburbs. Transport Canberra Operations also provides special needs transport, flexible transport, and a bus charter service.				
	Original Target 2022-23	Actual Result 2022-23	Variance from Original Target	Explanation of Material Variances (>= +/- 5%)
TOTAL COST (\$'000)	272,135	278,408	2%	
SERVICE PAYMENTS FROM TRANSPORT CANBERRA AND CITY SERVICES DIRECTORATE (\$'000)	196,200	204,767	4%	
Accountability Indicators				
Light Rail				
a. Light rail service availability <sup>1</sup>	99.5%	99.9%	0%	
b. Light rail service punctuality <sup>2</sup>	98%	99%	1%	
Public Transport Passenger Boardings				
c. Public transport passenger boardings <sup>3</sup>	19.9 million	17.7 million	(11%)	Lower than targeted result is due to changes in travel behaviours following the COVID-19 pandemic, such as higher instances of working from home.
Bus Operations				
d. Percentage of in-service fleet Euro 5 or better emission standard compliant <sup>4</sup>	78%	76%	(3%)	
e. Bus service availability <sup>5</sup>	99.5%	98.8%	(1%)	
f. Bus service punctuality <sup>6</sup>	75%	77%	3%	
g. Total network operating cost per network kilometre <sup>7</sup>	\$5.88	\$7.04	20%	Higher than targeted result is mainly due to lower network kilometres travelled as a result of the continuing operation of a reduced network timetable; this is combined with largely fixed operating costs and additional costs incurred that will enable the introduction of zero emissions bus fleet.

The above Accountability Indicators should be read in conjunction with the accompanying notes.

The above Accountability Indicators were examined by the ACT Audit Office in accordance with the *Financial Management Act 1996*. The Total Cost and Service Payments from Transport Canberra and City Services Directorate measures were not examined by the ACT Audit Office in accordance with the *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*.

<b>Transport Canberra Operations</b> <b>Statement of Performance</b> <b>For the Year Ended 30 June 2023</b>	
<b>Output Class 1:</b> <b>Output 1.1:</b> <b>Description:</b>	<b>Transport Canberra Operations</b> <b>Transport Canberra Operations</b> Transport Canberra Operations includes the provision of an integrated public transport network and school bus services, including a range of rapid and regular route services within Canberra suburbs. Transport Canberra Operations also provides special needs transport, flexible transport, and a bus charter service.

#### Explanation of Accountability Indicators

- 1 This indicator was previously titled 'Light rail passenger service availability' and has been renamed to align with the bus operations measure on service availability. Availability of light rail for services is measured by comparing the number of scheduled services against the number of services that were delivered.
- 2 This is a new indicator measuring punctuality (on-time running) of light rail services.
- 3 This indicator measures the patronage number for buses and light rail.
- 4 Euro emission standards define the acceptable limits for exhaust emissions of vehicles.
- 5 This indicator was previously titled 'Service reliability – percentage of all scheduled services which operated to completion' and has been renamed to align with the light rail measure on service availability. Availability of buses for passenger services is measured by comparing the number of scheduled services against the number of services that were operated to completion.
- 6 This indicator was previously titled 'Percentage of services operating on scheduled time' and has been renamed to simplify the indicator and to align with the light rail measure on punctuality. Operating on scheduled time describes a bus service that departs a stop that is a designated timing point between one minute earlier and four minutes later than the scheduled time. GPS technology attached to the MyWay system is used to measure this indicator. Only scheduled services that operated successfully are measured.
- 7 Network operating costs per kilometre measure the cost and kilometres directly attributable to the operation of Transport Canberra Operations' bus network route. This indicator was reported by TCCS in 2021-22.

# Part 3

Reporting by Exception

# Medicines, Poisons and Therapeutic Goods

Nil to report under Part 3.

# Dangerous Substances

Nil to report under Part 3.

# Part 4

Annual Report  
Requirements for  
Specific Reporting  
Entities

# Public Land Management Plans

Section 321 of the [Planning and Development Act 2007](#) requires the Directorate to prepare land management plans for areas of public land for which it is the custodian. A land management plan identifies the area and describes how it is managed to implement and promote the management objectives applying to that particular area, as stated in Schedule 3 of the Act. TCCS is responsible for the land management plans outlined in the table below.

During the reporting period, the Directorate developed a draft Urban Open Space Land Management Plan. The existing land management plans were seen to no longer respond to the social, cultural and environmental challenges presented by Canberra's growing population, expanding urban open space network and climate change.

The Plan will replace the five existing land management plans and complement the revised Canberra Urban Lakes and Ponds Land Management Plan. The Plan will provide an overarching and consistent direction for managing urban open spaces, ensuring they are protected and maintained to a high standard for all to enjoy.

Public consultation on the [draft Urban Open Space Land Management Plan](#) commenced on 24 May 2023 over a three month period, with community feedback informing the final plan.

Table 32: TCCS Public Management Plans as at 30 June 2023

Land Management	Year of Approval	Access
Woden and Weston Creek's Urban Parks and Sportsgrounds	1998	<a href="https://www.legislation.act.gov.au/di/1998-242/default.asp">https://www.legislation.act.gov.au/di/1998-242/default.asp</a>
Belconnen's Urban Parks, Sportsgrounds and Lake Ginninderra	1998	<a href="https://www.legislation.act.gov.au/di/1998-242/default.asp">https://www.legislation.act.gov.au/di/1998-242/default.asp</a>
Inner Canberra's Urban Parks and Sportsgrounds	2000	<a href="https://www.legislation.act.gov.au/di/2000-143/default.asp">https://www.legislation.act.gov.au/di/2000-143/default.asp</a>
Tuggeranong's Urban Parks and Sportsgrounds	2000	<a href="https://www.legislation.act.gov.au/di/2000-143/default.asp">https://www.legislation.act.gov.au/di/2000-143/default.asp</a>
Urban Open Space and Public Access Sportsgrounds in the Gungahlin Region	2006	<a href="https://www.legislation.act.gov.au/di/2007-298/default.asp">https://www.legislation.act.gov.au/di/2007-298/default.asp</a>
Canberra's Urban Lakes and Ponds	2022	<a href="https://www.legislation.act.gov.au/di/2022-10/">https://www.legislation.act.gov.au/di/2022-10/</a>

# Part 5

Whole of Government  
Annual Reporting

# Whole of Government Annual Reporting

See details under [Compliance Statement](#).

# Part 6

State of the Service  
Report

# State of the Service Report

TCCS provides information relating to public sector standards and workforce profile for the annual [State of the Service Report](#) via the timely completion of an agency survey coordinated by the Chief Minister, Treasury and Economic Development Directorate (CMTEDD) Office of Industrial Relations and Workforce Strategy.

# Appendix 1

Subsumed Reports

# ACT Veterinary Practitioners Board

## The Board

The ACT Veterinary Practitioners Board is a statutory body established under the [Veterinary Practice Act 2018](#) (the Act) which came into effect on 21 December 2018. The Board has a broad range of responsibilities that are established under Section 91 of the Act. These include:

- > registering veterinary practitioners and veterinary premises;
- > investigating complaints against veterinary practitioners;
- > conducting, on the Board's own initiative, investigations of veterinary practitioners;
- > taking disciplinary action against veterinary practitioners;
- > enforcing this Act, including taking proceedings for offences against this Act;
- > developing codes of professional conduct for veterinary practitioners;
- > setting standards for premises;
- > cooperating with other jurisdictions in Australia and New Zealand to further a common and harmonious approach to the administration of legislation relating to veterinary practitioners;
- > giving information to the veterinary profession relating to continuing education issues, developments in the field of veterinary science and disciplinary matters;
- > giving general advice to consumers of veterinary services in relation to the ethics and standards of professional competence generally expected of veterinary practitioners;
- > giving advice to the Minister in relation to any

other matter related to the administration of this Act;

- > ensuring the professional development of veterinary practitioners, including by implementing requirements for continuing professional development of veterinary practitioners;
- > approving educational and training courses related to professional qualifications for veterinary practitioners; and
- > liaising with, and if the Board considers it appropriate, becoming a member of, professional organisations concerned with veterinary science.

The Board comprises seven members, all appointed by the Minister for Transport and City Services. With the exception of the community representative and the non-veterinary practitioner, all members are registered veterinary practitioners, with a minimum of three year's registration. Board membership during the year is shown in [Table 33](#).

Dr Deborah Neutze and Ms Alison Archer were both successfully reappointed in 2022-23 after serving a single term.

During this time the Board also saw the appointment of a new Board member, with Dr Kate Chetty appointed as the non-veterinary member replacing Ms Mary Brennan.

Ms Lisa Johnson continued as Registrar in 2022-23. The Registrar oversees the business coordination and secretariat functions for the Board, is responsible for the management of the Board's affairs, and provides advice to the Board.

The Board usually meets on the last Friday of each month with the exception of December, or as noted below. In 2022-23, the Board met on 11 occasions with attendance as follows in [Table 34](#).

Table 33: ACT Veterinary Practitioners Board - Ministerial appointments

Name	Position on Board	Date Appointed	Appointment Expiry
Dr Deborah Neutze	President	01/01/2023	31/12/2025
Dr Amanda-Lee Charman	Deputy President and Registered Veterinary Practitioner	15/03/2022	14/03/2025
Dr Peter Gibbs	Registered Veterinary Practitioner	18/10/2021	17/10/2024
Dr Melanie Latter	Registered Veterinary Practitioner	17/05/2022	16/05/2025
Dr Mark Schipp	Registered Veterinary Practitioner	18/10/2021	17/10/2024
Ms Alison Archer	Community Representative	01/01/2023	31/12/2025
Dr Kate Chetty	Non-Veterinary Member	05/05/2023	04/05/2026
Ms Mary Brennan	Non-Veterinary Member	15/03/2022	06/02/2023

Table 34: Board member attendance

Name	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Dr Deborah Neutze	Y	Y	Y	N	Y	N/A	Y	Y	N	N	Y	Y
Dr Amanda-Lee Charman	Y	N	Y	Y	Y	N/A	Y	Y	Y	Y	Y	Y
Dr Peter Gibbs	Y	Y	Y	Y	Y	N/A	Y	Y	Y	Y	Y	Y
Dr Melanie Latter	Y	Y	Y	Y	Y	N/A	Y	Y	Y	Y	Y	Y
Dr Mark Schipp	Y	Y	N	Y	Y	N/A	Y	Y	Y	N	Y	Y
Ms Alison Archer	Y	Y	Y	Y	Y	N/A	Y	Y	Y	Y	Y	Y
Dr Kate Chetty	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N	Y
Ms Mary Brennan	Y	Y	Y	Y	N	N/A	N	N/A	N/A	N/A	N/A	N/A

## Highlights for 2022-23

The Board continued to run communication training evenings with a free seminar being delivered, covering the topic of ‘The seven steps to a successful consultation’. This also included an update from the ACT Biosecurity Veterinary Officer. The Board was pleased to see approximately 30 veterinary practitioners and support staff in attendance.

The Board worked closely with the Australian Chief Veterinary Officer on biosecurity preparedness to establish a system of emergency registration for international or retired vets, should it be required during a biosecurity outbreak.

The Board also continued its important role on the [Australasian Veterinary Boards Council](#) (AVBC), with board member Dr Peter Gibbs chairing the AVBC and Dr Amanda-Lee Charman participating in activities of the Sustainable Practice Committee, with an overarching goal of improving the sustainability of the veterinary profession.

## Priorities for 2023-24:

- > In 2023-24, the Board will continue working with the Directorate to review the Veterinary Practice Act. This will include a number of critical issues currently facing the profession that may require legislative change, including workforce pressures.
- > The Board has committed to trialling a new Continuing Professional Development (CPD) scheme in conjunction with the AVBC. This scheme will see CPD move towards a more fit-for-purpose system and consider non-technical skills to further improve safety, culture and veterinary outcomes.

- > The Board will continue its active role on the AVBC and advancing the goals of integrity and sustainability in the profession.

## Registrations

As of 30 June 2023, there were 322 registered veterinary practitioners, including specialists, registered in the ACT.

Under Section 19 of the Act the Board must, within seven (7) days after the day it makes a decision on an application for registration, advise the applicant of their decision and if approved enter the person’s details into the register.

As of 30 June 2023, there were 44 registered veterinary premises in the ACT.

Table 35: Registrants and registered premises by year

Period	2022-23	2021-22
Number of registrants	322	325
Number of registered premises	44	42

## Complaints against Veterinary Practitioners

Under the Act the Board is empowered to investigate and undertake disciplinary action against a registered veterinarian. These powers enable the Board to impose a fine of up to \$1,000, impose conditions on a veterinarian’s registration, and, if justified, suspend a registration for an interim period prior to taking the veterinary practitioner to the ACT Civil and Administrative Tribunal (ACAT) for

an occupational discipline hearing. The Board also has other options available to it under the Act, such as immediate action.

The Board expects high standards of professional behaviour from veterinary practitioners in the ACT. This includes maintaining professional standards of practice and CPD. CPD is compulsory for registered veterinary practitioners in the ACT and helps to maintain public confidence in the profession as well as assisting veterinary practitioners meet the required standards of practice for ongoing and relevant professional development, consistent with the nature of practice in which they are involved.

The complaints process under the Act has a requirement for joint consideration of complaints with the Human Rights Commission (HRC). It is mandatory for the Board and the HRC to notify each other of complaints received regarding veterinary practitioners. The HRC, through the complaints process, can provide a conciliatory service between the complainant and the veterinary practitioner. This process allows reciprocal management of veterinary complaints that ensures support is available to both complainants and veterinary practitioners going through the process.

During the 2022-23 financial year the Board received three new complaints and one complaint was carried over from previous years. Over the year, three complaints were resolved, and one remains under investigation.

The Board received an additional complaint regarding a person who is not a registered veterinary practitioner undertaking restricted acts of veterinary science. This matter was referred to the Australian Federal Police for their investigation and the Board assisted where appropriate.

## Policy development

The Board continues to create and review policies and guidelines to ensure the information being provided to the profession is up to date. As policies become available for publishing, they are circulated via the Board newsletter and are also made available on the [Board's webpage](#).

## Finances

The Board is not a Territory Authority for the purposes of the *Financial Management Act 1996*. The Board is self-funded and contributes 50 per cent to the Directorate for costs incurred in the provision of the secretariat function. Financial Statements for the Veterinary Practitioners Board are audited on a three-year cycle, with the last audit completed for the 2020-21 Financial year.

The Board reported a cash surplus of \$115,313, compared to a budgeted deficit of \$11,732, for the year ended 30 June 2023. The primary reasons for this surplus are 2021-22 revenues of \$22,882 banked in July 2022 and an interest return of \$14,409 which was higher than budgeted. Expenditure was also \$96,499 lesser than the amount budgeted for additional board sittings, communication sessions and annual Veterinary Practitioners Board premises inspections. As the Board report on a cash basis, some transactions (additional surplus \$19,403 and Business Coordinator Salaries and Board Allowance expense \$45,369) will be accounted for in the 2023-24 reporting period.

Table 36: Cash at bank as at 30 June 2023

Cash Flow (\$)	2022-23	2021-22
Bank balance (as reported at closing of previous period)	475,376	433,501
Inflows	172,871	156,058
Outflows	57,559	114,183
<b>Bank balance (at end of reporting period)</b>	<b>590,688</b>	<b>475,376</b>

## Australian Veterinary Boards Council (AVBC)

The Board has continued to maintain its membership of the [AVBC](#) and is an active contributor in the discussion and development of the veterinary profession within Australia and New Zealand. Dr Peter Gibbs continued to be the ACT representative on the AVBC in 2022-23 and is also serving as the Chair of the AVBC. Dr Amanda-Lee Charman also continued to represent the Board on the Sustainable Practice Committee, an AVBC subcommittee established to improve post-registration standards, build public confidence and promote healthy, sustainable practice for the profession.

The AVBC meets regularly via teleconference throughout the reporting period with the face-to-face Annual General Meeting held in Melbourne. The Annual General Meeting as well as the annual AVBC conference is attended by State, Territory and New Zealand Board representatives and Registrars to discuss issues of national interest to the veterinary profession. The annual Registrar's meeting was also attended by the ACT Registrar.

## Annual General Meeting

Under Section 92 of the Act, the Board must hold an Annual General Meeting of the veterinary profession. Under the Veterinary Practice Regulation 2018 (the Regulation) the meeting is to be scheduled within four months after the end of the financial year.

The Board held its Annual General Meeting for the year 2021-22 on 19 October 2022. The Board was in the process of organising its Annual General Meeting for 2022-23 at the time of publication of this report. As with prior years, all registered veterinary practitioners will be invited to attend the meeting once details have been confirmed.

All veterinary practitioners will be provided copies of the following documents at the next meeting:

- > the agenda for the meeting;
- > a copy of a report of the activities of the Board for the financial year prepared by the President;
- > a copy of a report for the financial year prepared by the president on the following:
  - the fees payable by veterinary practitioners under the Act;
  - any increases in fees that have been proposed by the Board; and
  - any remuneration paid or payable to members of the Board.

Further information may be obtained from the Registrar:

ACT Veterinary Practitioners Board

GPO Box 158 Canberra ACT 2601

E: [TCCS.vetboard@act.gov.au](mailto:TCCS.vetboard@act.gov.au)

T: (02) 6207 0012

# Animal Welfare Authority

## The Authority

During 2022-23, the Directorate was the ACT Government's lead agency for animal welfare and administered the [Animal Welfare Act 1992](#) (AW Act), which regulates offences such as animal cruelty. The AW Act has a range of enforcement powers to promote and monitor acceptable standards of care and protect animals from cruelty or welfare offences.

The Executive Group Manager, Territory and Business Services within TCCS is the appointed Animal Welfare Authority (the Authority) for the ACT.

## Animal Welfare Advisory Committee

The Animal Welfare Advisory Committee (AWAC) is established under section 109 of the AW Act. The AWAC has several functions set out under the AW Act. These include:

- > to advise the Minister on matters concerning animal welfare legislation;
- > to advise the Authority about matters in relation to animal welfare, including animal welfare legislation;
- > to participate in the development of approved codes of practice and mandatory codes of practice;
- > to provide advice to other Territory authorities, and to community bodies, about programs for the improvement of community awareness about animal welfare;
- > to advise the Minister about any other matter relating to animal welfare; and
- > to report annually to the Minister on the committee's activities.

The committee is comprised of 11 members, all appointed by the Minister for Transport and City Services. Board membership during the year is shown in [Table 37](#).

During 2022-23, the committee met 11 times (see [Table 38](#)) and undertook the following activities:

- > developed and finalised the new [Code of Practice for the Welfare of Native Wildlife - Rescue, Rehabilitation and Release](#) (stakeholder consultation undertaken);

- > developed and finalised the new [Code of Practice for the Private Keeping of Native Reptiles](#) (stakeholder consultation undertaken);
- > reviewed the Code of Practice for the Management of Animals in Pounds, Shelters and Rescue Establishments (stakeholder consultation undertaken);
- > reviewed the Code of Practice for the Welfare of Dogs in the ACT (stakeholder consultation undertaken);
- > reviewed the Code of Practice for the Welfare of Horses in the ACT (stakeholder consultation undertaken);
- > reviewed the Code of Practice for the Welfare of Cats in the ACT;
- > commenced drafting the Code of Practice for the Care and Welfare of Small Mammals as Pets in the ACT; and
- > provided a position statement to the Minister on jumps racing.

[Table 37](#) and [Table 38](#) detail the make-up of the Committee, Ministerial appointments and meeting attendance.

## RSPCA ACT

The [RSPCA ACT](#), as an animal welfare entity under the AW Act, works closely with the ACT Government to promote responsible pet ownership and to educate community members on how to care for their pets. The RSPCA ACT Inspectorate team is essential in providing on the ground information, education, and support to community members.

During its investigations, the RSPCA engages with persons of interest to prevent animal cruelty from occurring and, where possible, to offer opportunities for behaviour change. This is done in partnership with the community, who notify RSPCA about animal welfare concerns for investigation. By educating animal owners about their pet's basic requirements, and encouraging them to seek assistance, when necessary, RSPCA ACT aims to facilitate an improvement in animal welfare outcomes.

In 2022-23, the RSPCA ACT inspectorate service received 6,974 direct enquiries from the public.

As opposed to issuing written notices, RSPCA ACT Inspectors adopted the approach of providing

verbal directions. The verbal directions approach was considered less intrusive and resulted in most animal owners actioning the verbal requirements without the need of further intervention.

On the two occasions animal owners failed to adhere to the verbal directions, inspectors then intervened and took possession of the animals.

RSPCA ACT Inspectors initiated processes on 15 matters totalling 64 charges over the reporting period; Inspectors were not required to commence any prosecutions. A total of 1,192 animals were received from the public and 236 were received from the ACT Government. RSPCA ACT reunited 134 and 206 stray cats and dogs respectively with their families.

## New facility for the RSPCA ACT

In 2022-23, TCCS and RSPCA continued to work collaboratively in relation to the development of a new, fit for purpose RSPCA facility. This facility is planned for construction on a new site in Pialligo on part of the block located on the corner of Addison Road and Fairbairn Avenue. This will serve

as a replacement for the existing site in Weston Creek which will be redeveloped in future years for housing.

The Directorate engaged a consultant team to finalise site investigations and planning approval requirements including environmental approvals. This included a submission to the Department of Climate Change, Energy, the Environment and Water on impacts to the Striped Legless Lizard and public consultation on the proposed response to these environmental matters. The team also progressed a concept design of the facility that responds to the requirements of the RSPCA to provide a modern and safe facility for service delivery and operations. The team also consulted with adjacent land owners and users, as well as extensive consultation with the RSPCA to inform this work.

The Directorate has also been working across Government to develop a suitable delivery model for the facility which has informed the development of a relocation package to transition the RSPCA from the current Weston site to their future home in Pialligo.

Table 37: Animal Welfare Advisory Committee - Ministerial appointments

Name	Position on Board	Date Appointed	Appointment Expiry
Ms Genevieve Butler	Chair	01/01/2023	31/12/2025
Dr Wendy Townsend	Member, a person who is an authorised officer under the Animal Welfare Act 1992	10/08/2021	09/08/2024
Dr Kyeelee Driver (acting appointment)	Member, a person who is an authorised officer under the Animal Welfare Act 1992	30/08/2022	29/11/2022
Ms Michelle Robertson	Member, a person nominated by the RSPCA ACT	24/05/2022	23/05/2025
Dr Melanie Latter	Member, a person nominated by the Australian Veterinary Association	10/08/2021	09/08/2024
Dr John Guth	Member, a person nominated by the ACT Rural Lessees Association	01/01/2020	31/12/2022
Mr John Starr	Member, a person nominated by the ACT Rural Lessees Association	01/01/2023	31/12/2025
Dr Suzanne Fowler	Member, a person, with experience in teaching or research in the field of animal sciences	10/08/2021	09/08/2024
Dr Serrin Rutledge-Prior	Member, a person nominated by a community-based organisation involved in animal welfare	11/10/2022	10/10/2025
Ms Margaret Peachey	Member, a person nominated by a community-based organisation involved in native wildlife matters	10/08/2021	09/08/2024
Ms Judith Woolley	Member, a person nominated by an organisation involved in the commercial use of companion animals	01/01/2023	31/12/2025
Mr Wayne Slattery	Member, a person nominated by an organisation involved in the recreational or sporting use of animals	01/01/2023	31/12/2025
Mr Bruce Hancocks	Member, a person nominated by the administrative unit with responsibility for the Nature Conservation Act 2014	24/05/2022	23/05/2025

Table 38: Committee member attendance

Name	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Ms Genevieve Butler	Y	Y	Y	Y	Y	Y	N/A	Y	Y	Y	Y	Y
Dr Wendy Townsend	N	N	N/A	N/A	N/A	N	N/A	N	N	Y	N	N
Dr Kyeelee Driver	N/A	N/A	N	Y	Y	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ms Michelle Robertson	Y	Y	Y	N	Y	Y	N/A	Y	Y	Y	Y	Y
Dr Melanie Latter	Y	Y	Y	Y	Y	Y	N/A	Y	Y	Y	Y	Y
Mr John Starr	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Y	Y	Y	Y	Y
Dr John Guth	Y	Y	Y	Y	Y	Y	N/A	N/A	N/A	N/A	N/A	N/A
Dr Suzanne Fowler	Y	Y	Y	Y	Y	Y	N/A	Y	Y	Y	Y	Y
Dr Serrin Rutledge-Prior	N/A	N/A	N/A	Y	Y	Y	N/A	Y	Y	Y	Y	N
Ms Margaret Peachey	Y	Y	Y	Y	Y	Y	N/A	Y	Y	Y	Y	Y
Ms Judith Woolley	Y	Y	Y	Y	Y	Y	N/A	Y	Y	Y	Y	Y
Mr Wayne Slattery	Y	N	Y	Y	Y	Y	N/A	Y	N	Y	N	Y
Mr Bruce Hancocks	N	Y	Y	Y	Y	Y	N/A	Y	Y	Y	N	Y

# Annexure A

Cemeteries and Crematoria  
Authority Annual Report 2022-23

## About this report

The Transport Canberra and City Services (TCCS) 2022-23 Annual Report is published in one volume containing the report of TCCS, the annexed report of the Cemeteries and Crematoria Authority, and the subsumed reports of the ACT Veterinary Practitioners Board and the Animal Welfare Authority.

The [Contents](#) will help you navigate to specific information throughout the report.

For further information on the Cemeteries and Crematoria Authority please contact:

Chief Executive Officer and Executive Branch Manager

Cemeteries and Crematoria Authority t/a Canberra Memorial Parks

PO Box 37

Mitchell ACT 2911

Telephone +61 2 6207 0026

Email [canberramemorialparks@act.gov.au](mailto:canberramemorialparks@act.gov.au)

[www.canberramemorialparks.act.gov.au](http://www.canberramemorialparks.act.gov.au)

OR

Deputy Director-General, Transport Canberra and Territory Business Services

Transport Canberra and City Services Directorate

GPO Box 158

CANBERRA ACT 2601

Telephone +61 2 6207 5111

[www.cityservices.act.gov.au](http://www.cityservices.act.gov.au)

## Compliance Statement

The Cemeteries and Crematoria Authority Annual Report must comply with the Annual Report Directions (the Directions) made under Section 8 of the Annual Reports (Government Agencies) Act 2004. The Directions are found at the ACT Legislation Register: [www.legislation.act.gov.au](http://www.legislation.act.gov.au)

The Compliance Statement indicates the subsections, under the five Parts of the Directions, which are applicable to the Authority, and the location of information that satisfies these requirements.

## Part 1 - Directions Overview

The requirements under Part 1 of the Directions relate to the purpose, timing and distribution, and record keeping of Annual Reports. The Cemeteries

and Crematoria Authority Annual Report complies with all subsections of Part 1.

To meet Section 15 Feedback, Part 1 of the Directions, contact details for the Cemeteries and Crematoria Authority are provided on this page of the Annual Report to give readers the opportunity to provide feedback.

## Part 2 - Reporting Entity Annual Report Requirements

The requirements within Part 2 of the Directions are mandatory for all Directorates and the Cemeteries and Crematoria Authority complies with all subsections. The information that satisfies the requirements of Part 2 is found in this report as follows:

Section 2A - Transmittal Certificate on [page 329](#);

Section 2B - Organisational Overview and Performance, inclusive of all subsections, from [page 330](#); and

Section 2C - Financial Management, inclusive of all subsections, from [page 342](#).

## Part 3 - Reporting by Exception

The Authority has nil information to report by exception under Part 3 of the Directions for the 2022-23 reporting year.

## Part 4 - Annual Report Requirements for specific reporting entities

There are no agency-specific Annual Report requirement applicable to the Authority.

## Part 5 - Whole of government Annual Reporting

The Authority provides information where applicable to other entities' Annual Reports via the Transport Canberra City Services Directorate. Details can be found in the TCCS Compliance Statement on [page 5](#). ACT Public Service Directorate Annual Reports are found at the following web address: [https://www.cmtedd.act.gov.au/open\\_government/report/annual\\_reports](https://www.cmtedd.act.gov.au/open_government/report/annual_reports)

## Part 6 - State of the Service report

See the TCCS Compliance Statement on [page 5](#).

# Part 2A: Transmittal Certificate



**ACT**  
Government

Transport Canberra  
and City Services

Mr Chris Steel MLA  
Minister for Transport and City Services  
ACT Legislative Assembly  
London Circuit  
CANBERRA CITY ACT 2601

Dear Minister

## 2022-23 Cemeteries and Crematoria Authority Annual Report

This report has been prepared in accordance with Section 7C of the *Annual Reports (Government Agencies) Act 2004* and in accordance with the requirements under the *Annual Reports (Government Agencies) Directions 2023*.

It has been prepared in conformity with other legislation applicable to the preparation of the Annual Report by the Cemeteries and Crematoria Authority.

I certify that the information in the attached report and information provided for whole of government reporting, is an honest and accurate account and that all material information on the operations of the Cemeteries and Crematoria Authority has been included for the period 1 July 2022 to 30 June 2023.

I hereby certify that fraud prevention has been managed in accordance with the Public Sector Management Standards 2006 (repealed), Part 2.3 (see Section 113, Public Sector Management Standards 2016).

Section 13 of the *Annual Reports (Government Agencies) Act 2004* requires that you present the report to the Legislative Assembly within 15 weeks after the end of the reporting year.

Yours sincerely

Neale Guthrie  
Board Chair  
Cemeteries and Crematoria Authority  
3 October 2023

Kerry McMurray  
Chief Executive Officer  
Cemeteries and Crematoria Authority  
3 October 2023

# Part 2B: Organisation Overview and Performance

## B1 Organisational Overview

### Our responsibilities

The Cemeteries and Crematoria Authority (the Authority) is a statutory authority established on 23 August 2020 under the [Cemeteries and Crematoria Act 2020](#) (The Act). The Authority has previously traded under different names and was established on 27 September 2003 under the *Cemeteries and Crematoria Act 2003* to manage public cemeteries and crematoria effectively and efficiently.

Trading as Canberra Memorial Parks, it currently manages and operates three public cemeteries at Gungahlin, Woden and Hall, a public crematorium on the grounds of Gungahlin Cemetery, and a Mausoleum on the grounds of Woden Cemetery.

### Our purpose

Manage public cemeteries and crematoria in accordance with the Act.

The main object of the Act is to provide a financially sustainable model for the management of cemeteries and crematoria that recognises, and provides for, the diverse needs of the community.

### Our vision

Everyone has a place for honouring and celebrating life.

### Our mission

We provide world class interment and memorialisation services for our diverse community.

### Our Values

- > Respect
- > Excellence
- > Sustainability
- > Trust

### Our customers and stakeholders

- > The community;
- > Funeral directors and stone masons;
- > suppliers of goods and services;
- > our employees; and
- > the ACT Government.

### Governance

The Cemeteries and Crematoria Authority Board (the Board) is responsible to the Minister for Transport and City Services (the Minister) for the good governance and successful operations of the Authority. The Board operates under the Act, the [Financial Management Act 1996](#) (FMA) and a Charter developed by the Board. The Charter sets out the role, responsibilities and authority of the Board, the Chair, individual directors, and the Chief Executive Officer (CEO) within the ACT Government governance framework.

The Board oversees risk management through a program of internal audits carried out by external specialists. A risk register, which underpins the development of the internal audit program is reviewed by the Audit, Risk and Governance Sub-Committee.

In addition to the Board, Transport Canberra and City Services (TCCS) as a related entity, has administrative oversight and responsibility for the Authority and provides whole-of-government advice via a memorandum of understanding with the Authority including the provision and oversight of the preparation of the financial statements.

Authority employees are members of the ACT Public Service and are managed in accordance with ACT Government and TCCS human resources policies.

### Internal accountability

The Authority is established under Section 113 of the Act and has a governing Board, under sections 117 and 118 of the Act, which:

- > has at least six, and not more than 12 members;
- > be sufficiently diverse to carry out its functions; and
- > include at least two members, who in the Minister's opinion, represent the general community and religious denominations.

Members are appointed under sections 117 and 118 of the Act and sections 78 and 79 of the FMA. Members are appointed for fixed terms, generally three-year terms, and may be re-appointed at the discretion of the Minister. The Chief Executive Officer (CEO) is a Member of the Board, appointed under Section 118 of the Act and Section 80 of the FMA.

## Charter of the Cemeteries and Crematoria Authority

A Board Charter sets out the role, responsibilities and authority of the Board, the Chair, individual directors and the Chief Executive Officer in accordance with Directions and Guidelines from the ACT Government including the Chief Minister and Treasurer. The Authority engages an Executive Officer who provided secretarial services to the Chief Executive Officer and Board and uses a leading E-Governance tool designed for non-profit boards.

## Board appointments during 2022-23

On 19 May 2023 the Minister for Transport and City Services appointed the following incoming Members to the Board for three-year terms: Kate Chetty and Greg Field. Linda Addison resigned from the Canberra Cemeteries and Crematoria Authority (Canberra Memorial Parks) Board effective 7 October 2022.

## Sub-Committees of the Board

### Audit, Risk and Governance Sub-Committee

To provide recommendations and advice to the Board on risk management activities, including internal audits undertaken by the Authority and the overall risk environment, and provide recommendations on governance.

### Finance Sub-Committee

To provide recommendations and advice to the Board on financial management and activities undertaken by the Authority and incorporates the Business Development Working Group which focuses on stakeholder engagement, reputation management, and marketing activities.

### Special Projects Sub-Committee

To provide recommendations and guidance on major works being undertaken by, or on behalf of, Canberra Memorial Parks.

## Board and Sub-Committee meetings

During 2022-23 the Board met on twelve occasions (including a two-day strategy workshop) with a further eight sub-committee meetings, as detailed in the [Table 39](#) and [Table 40](#).

## Member and CEO remuneration

Members are remunerated on a per diem basis at a rate determined by the ACT Remuneration Tribunal under Section 10 of the [Remuneration Tribunal Act 1995](#) (Determination 13 of 2022 – Part Time Public Office Holders). The CEO is employed in accordance with Section 31 of the [Public Sector Management Act 1994](#) and Section 54 (2) of the [Public Sector Management Standards 2016](#). CEO remuneration determinations are made by the Chief Minister or the Remuneration Tribunal under the *Remuneration Tribunal Act 1995*.

Table 39: Board and Sub-committee membership in 2022-23, appointment date and expiry dates

Name	Board	Audit, Risk & Governance	Finance	Special Projects	Appointed	Expiring
Neale Guthrie	Chair	Member	Member	Member	03/08/2016	23/08/2024
Georgina McKenzie	Deputy Chair	-	Chair	-	03/08/2016	23/08/2024
Deepak-Raj Gupta	Member	Chair	-	Member	23/08/2021	23/08/2024
Fiona Jolly	Member	-	Member	Chair	23/08/2021	23/08/2024
Nigel Corne	Member	-	Member	-	23/08/2021	23/08/2024
Paula McGrady	Member	Member	-	Member	23/08/2021	23/08/2024
Kate Chetty	Member	-	-	-	26/05/2023	25/05/2026
Greg Field	Member	-	-	-	26/05/2023	25/05/2026
Linda Addison	Member	Chair (former)	-	Member	03/08/2016	05/10/2022
Kerry McMurray	Member	Member	Member	Member	30/09/2021	31/01/2027

Table 40: Meeting eligibility and attendances for 2022-23

Name	Board		Audit, Risk & Governance		Finance		Special Projects		Total <sup>1 2</sup>	
	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
Neale Guthrie	10	10	4	4	4	3	2	2	23	22
Georgina McKenzie	10	10	0	0	4	4	0	0	17	17
Deepak-Raj Gupta	10	6	4	4	0	0	2	2	19	15
Fiona Jolly	10	8	0	0	4	3	2	2	19	15
Nigel Corne	10	10	0	0	4	4	0	0	17	17
Paula McGrady	10	10	4	3	0	0	2	2	19	18
Kate Chetty	1	1	0	0	0	0	0	0	1	1
Greg Field	1	0	0	0	0	0	0	0	1	0
Linda Addison	3	2	1	1	0	0	0	0	4	3
Kerry McMurray	10	10	4	4	4	4	2	2	23	23

1 Includes Board Planning Days (2).

2 Details of joint sub-committee meetings: Includes one joint Audit, Risk & Governance / Finance Sub-Committee(s) meeting.

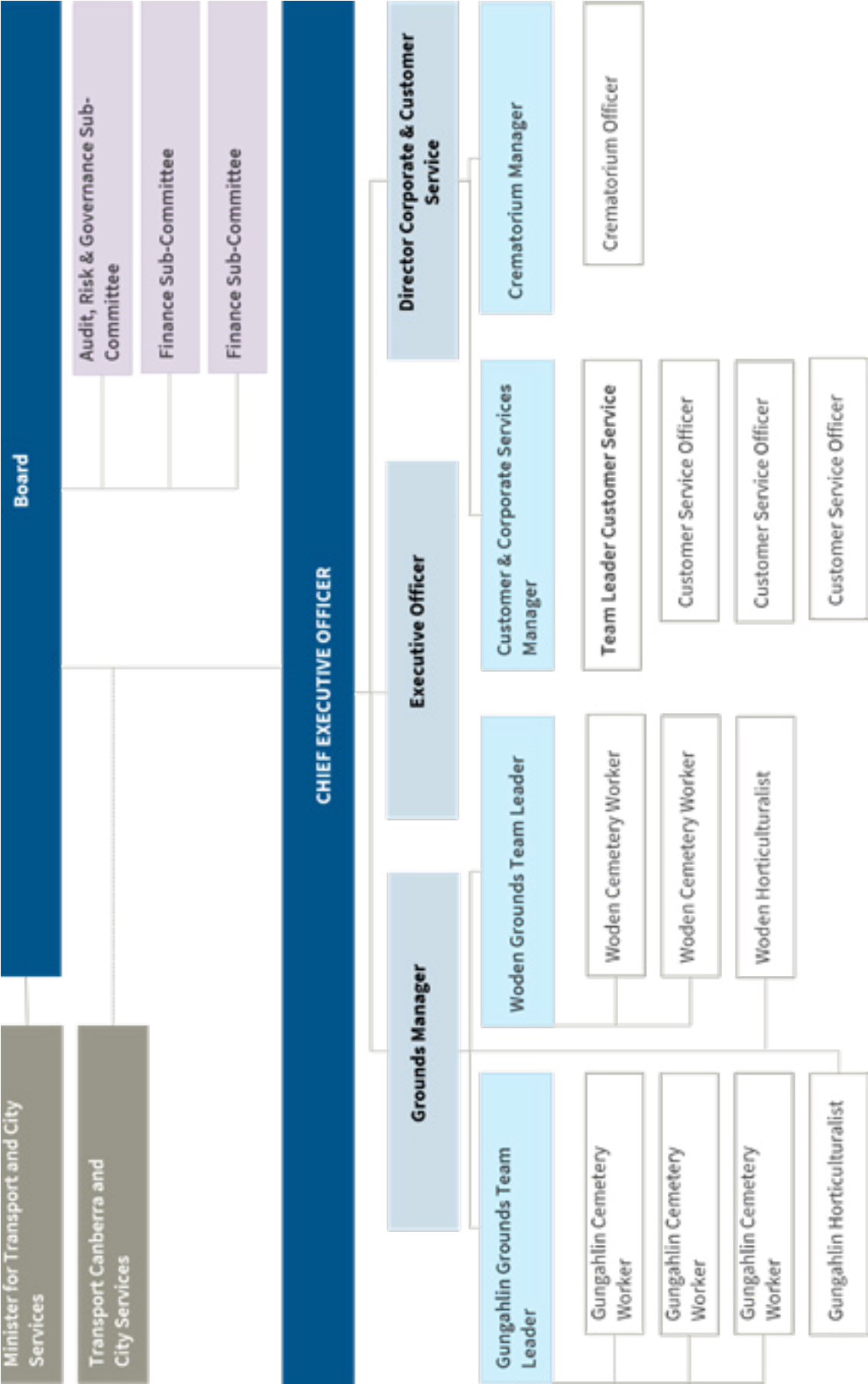
## Planning framework

The Board during 2022-23 held a two-day Strategy workshop to review the Canberra Memorial Parks Strategic Plan and Strategic Risk Register. The outcomes from this workshop were:

- > The Development of a 2022-25 Statement of Strategic Guidance clearly identifies the intended position of the Authority in 2025. This Statement identifies a pathway for long term financial sustainability, increased community awareness and engagement, a systematic and robust approach to governance and demonstrated progress towards environmental sustainability. The strategic objectives are underpinned by a set of goals and supported by identified key elements and measures of success.
- > The development of a three-year delivery program which details the required delivery of projects, programs and services to achieve the strategic objectives of the 2022-25 Statement of Strategic Guidance. The achievement of this program is reviewed by the board on a bi-annual basis.
- > The complete review of the strategic risk register and the alignment of these strategic risks to the goals identified in the 2022-25 Statement of Strategic Guidance. This provides an integrated planning approach to achieving the identified strategic objectives within the identified risk appetite of the Authority.
- > The full Board meets bi-monthly and is supported by three sub-committees, Finance and the Audit, Risk and Governance, both which meet quarterly, and the Special Projects as required.

# Our structure

Figure 8. Canberra Memorial Parks organisational structure at 30 June 2023



## The year in review

In 2022-23, the Authority continued to provide interments (burial and ashes interment) and associated services at a cost that is acceptable to the community while maintaining a commercial and professional operation.

The Board commenced the architectural design phase for the Gungahlin memorial hall and condolence lounge project with construction expected to be completed in the 2024-25 financial year. This project will enable the authority to provide a full service offering to the Canberra community at its Gungahlin cemetery. This project is fully funded by the Authority.



*Image: view across the grounds at Woden Cemetery.*

Other achievements in the reporting period included:

- > The Authority actively participated in the ongoing detailed design phase for Southern Memorial Park Stage 1. It is anticipated that a development application will be lodged in the first quarter of 2023-24.
- > Development of new interment product at both Gungahlin and Woden cemeteries to meet the diverse needs of the Canberra Community.
- > Planning for the establishment of an ash memorialisation garden at Gungahlin including the commissioning of bespoke ash interment product.
- > Increased the brand awareness, and in accordance with adopted Marketing and Communication Strategy, conducted an ongoing series of tours of facilities, including natural burials and the crematorium.
- > The Authority hosted a tour of its Gungahlin and Woden facilities for 150 delegates from Australasia who were attending the 2022 Australasian Cemeteries and Crematoria Association (ACCA) conference in Canberra.
- > The Authority also held a stand at the Council on the Ageing (COTA) expo in April 2023.

### ***In focus: Eternity garden at Woden***

In response to the significant community uptake and interest in Eternity Garden 1, Canberra Memorial Parks is now finalising development of Eternity Garden 2 – an ash memorialisation garden at Woden Cemetery.

Featuring 137 sandstone rocks of varying sizes, in a landscaped garden underneath large pine trees, this memorialisation product is perfectly suited to those who prefer cremation but are attracted to the mature, established grounds of the Woden Cemetery. Rocks vary in memorialisation capacity, from single interments through to large family rocks that accommodate up to 20 interments and associated plaques. This product can be purchased at-need, or reserved for a later date, and the first memorial plaque and interment is included in the cost of the allotment. Canberra Memorial Parks is currently maintaining a waitlist of members of the community who are interested in purchasing this memorialisation product, once development has been finalised.



*Image: a bench sits amongst memorial rocks in the Eternity Garden at Woden Cemetery.*

### ***In focus: Olive Grove at Gungahlin***

Nestled amongst the lawns of the Gungahlin Memorial Park with plantings of olive trees that will mature over time, families have the option of choosing their preferred position in the area. The area consists of a long red granite beam with burial allotments either side. Each allotment has its own area for the placement of a 380 by 280 millimetre bronze plaque made with the family's input on design and wording.

Allotments are non-denominational for burials and ashes interments are also possible.

As the area grows, the expansion of Olive Grove has been incorporated for future planning and additional areas will be added to meet the community need.

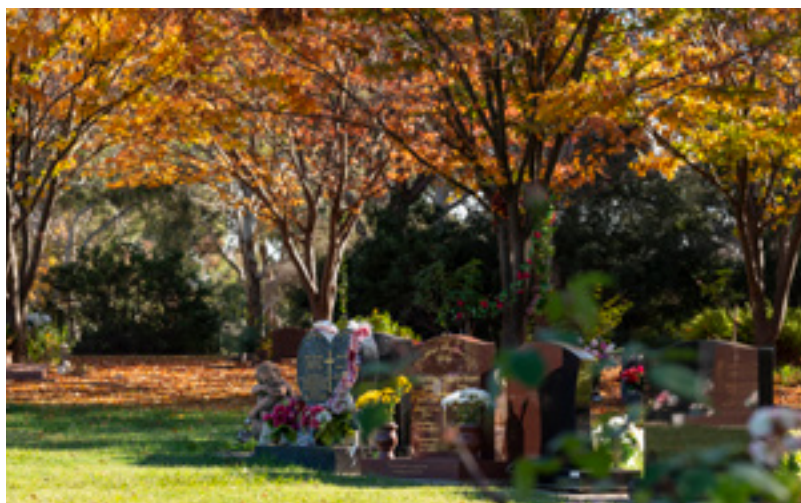
*Image: young olive trees in the Olive Grove at Gungahlin Memorial Park.*



## **Outlook for 2023-24**

Strategic and operational priorities to be pursued in 2023-24 include:

- > Ensuring the financial viability of the Authority by increasing its share of the cremation market. This will be achieved by developing new memorialisation and service products and facilities to meet the needs of the market and provide additional revenue streams.
- > Preparation of tender documentation for the construction of the Memorial Hall, Condolence Lounge and associated infrastructure at Gungahlin Memorial Park, to enable the provision of full service offering to the Canberra community.
- > Expanding and diversifying product offerings through the development of additional products for burial and ash interments at Gungahlin and Woden.
- > Continuing to deliver high level services and grounds maintenance provided to the community.
- > Preparation of strategic and operational plans for Southern Memorial Park Stage 1.
- > Enhance and refine the Strategic Asset Management Plan.



*Image: autumn at Gungahlin Memorial Park.*



*Image: gumtrees bordering Hall Cemetery.*

## B2 Performance Analysis

The main object of this Act is to provide a financially sustainable model for the management of cemeteries and crematoria that recognises, and provides for, the diverse needs of the community.

This is achieved particularly by:

- > recognising the rights of people through the dignified and respectful treatment of their human remains and the human remains of their loved ones;
- > respecting the diverse burial, cremation and interment practices, cultural practices and religious beliefs of people; and
- > promoting financially sustainable facilities and practices for burying and cremating human remains and interring cremated remains.

To achieve these objectives Canberra Memorial Parks owns and manages three public cemeteries at Gungahlin, Woden, and Hall, a public crematorium on the grounds of Gungahlin Cemetery and a mausoleum on the grounds of Woden Cemetery. These and further commentary below support achieving the objectives under the Act.

### Locations

Gungahlin Cemetery opened in 1979, and is located in Canberra's northern suburb of Mitchell where it spans 40 hectares. With an organic design and significant native plantings, it is predominantly nondenominational and offers monumental sections, plaque-beam and headstone lawn sections, natural burials, and options for ash interments. It accommodates Canberra Memorial Parks' administration centre and Gungahlin Crematorium which includes a private viewing room, ideal for intimate services that provides customers with the choice of witnessing the cremation.

Woden Cemetery performed its first burial in 1936. Located in Phillip, in Canberra's southern suburbs, it spans 12 hectares. With a traditional European design and mature trees, it is divided into denominational sections and includes monumental, plaque-beam and headstone lawn sections and ash interments. While still available for mausoleum ash interments it is nearing burial capacity. The ACT Heritage Council has decided that the Woden Cemetery, Phillip meets one or more of the heritage significance criteria under section 10 of the [Heritage Act 2004](#).

Hall Cemetery, to the north of Canberra, spans 4.5 hectares, and is the oldest public general cemetery still in use in the ACT. Although dedicated in 1883,

the first recorded burial was not until 1907. Ash interments are available and burial allotments are fully subscribed. The Cemetery contains some rare and endangered plants, such as the Tarengo leek orchid.

### Burial Capacity in the ACT

With Woden and Hall Cemeteries nearing burial capacity, there is sufficient space at Gungahlin Cemetery to meet ACT community demands for approximately 25 years. Significant planning has been undertaken for the development of a new memorial park in Canberra's south (Southern Memorial Park).

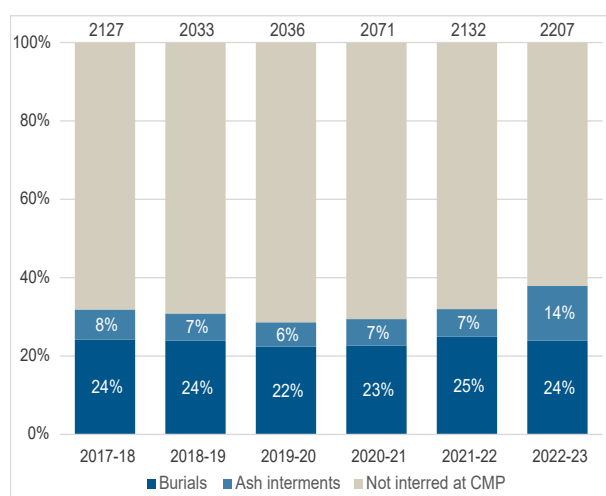


Figure 9. Distribution of interments for deaths in the ACT

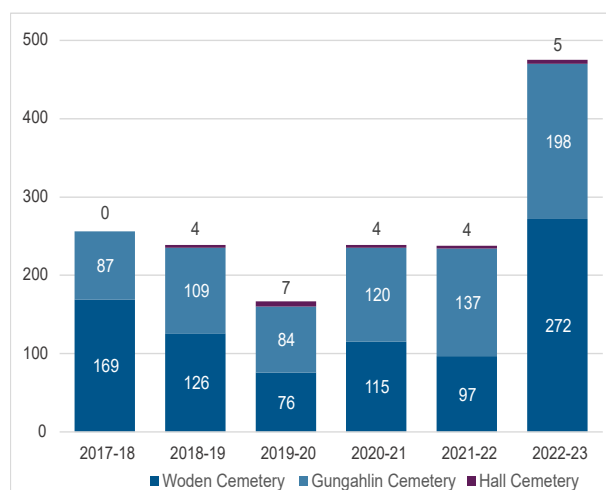


Figure 10. Total reservation unit sales by cemetery.

### Further Performance Analysis

Further performance analysis for 2022-23 is discussed in the Management Discussion.

## Scrutiny

There were no outstanding items that required action post 30 June 2022 from the Auditor General's final audit management reports relating to the Cemeteries and Crematoria Authority.

There were no outstanding items that required action post 30 June 2022 from Legislative Assembly standing committees relating to the Cemeteries and Crematoria Authority.

## Risk Management

The Authority has developed a Risk Management Plan aligned to the ACT Insurance Authority (ACTIA) and ACT Government principles for risk management.

The Board held a two-day strategic planning workshop in February 2023 which included a half day focused on the review of the strategic risk register and risk appetite statement. These were subsequently adopted by the Board at their April 2023 meeting. This document identifies areas of significant operational or financial risks, supports planning, and is used to assist preparing the strategic internal audit plan.

The Audit, Risk and Governance Sub-Committee has oversight of risk management. Overall responsibility for risk management lies with the Board and Chief Executive Officer. The aim of the Strategic Risk Register is to identify and mitigate identified risks through implementing strategies to reduce the impact of any identified risks occurring and ensuring business continuity.

The Authority's Business Continuity Plan (BCP) was reviewed as part of the internal audit program in June 2023.

## Internal Audit

The Audit and Risk Sub-Committee is an integral part of the internal audit function and reports to the Board on the governance, risk, and internal control environment. Membership, Member remuneration, and number of Sub-Committee meetings and attendance are addressed earlier in this report.

Sub-Committee activities are conducted in accordance with the Board Charter and Sub-Committee Terms of reference. To deliver internal audit activities, the Authority used a primary internal audit provider identified through the Whole of Government internal audit services panel. Two internal audits were presented to the Audit Committee for consideration in 2022-23.

The Audit and Risk Sub-Committee met four times during the year to discuss performance and compliance audits and once in conjunction with the Finance Sub-Committee.

### **Audits planned for 2023-24:**

A new internal audit services provider was appointed on 14 July 2022. The internal audit program for 2023-24 will include the following audits;

- > Complaint Handling
- > Customer Service Processes

Internal audit will also be conducting a review on the implementation of audit recommendations from prior year audits.

## Fraud Prevention

The Authority's Fraud and Corruption Prevention Plan includes an assessment of fraud risk, a fraud control plan and prevention strategies including fraud awareness training.

The Authority received no reports or allegations of fraud or corruption during the reporting period.

## Freedom of Information

The Authority did not receive any access applications under the [Freedom of Information Act 2016](#).

Table 41: Status of audits from the Authority's internal audit program(s), as at 30 June 2023

Audit Name	Program Period	Status	Tabled
Strategic Project Management	In draft as at 30 June 2023	Draft	
Contract Management and Procurement	November 2022 – February 2023	Completed	March 2023

## Community Engagement and Support

The Authority's liaison with stakeholder groups is underpinned by a stakeholder framework. The engagement with groups during 2022-23 is outlined below.

### New sections at Gungahlin Cemetery

Four groups from the Islamic Community were consulted regarding portions 28 and 11 at Gungahlin Cemetery. Consultation included determining the options for improving portion 28 and expanding portion 11, including plantings surrounding the portion and entrance, appropriate religious signage, method of allocating allotments, depth of graves and methods of reservation sales to various Islamic community groups. The Buddhist community has been consulted to allocate and plan a section at Gungahlin Cemetery specifically for members of the Buddhist faith. This section will be completed in 2023-24.

### Council on The Ageing (COTA) Expo

Canberra Memorial Parks operated a stall at the April 2023 COTA Expo. The expo enabled members of the community to visit the stand and ask questions of the staff, receive provided collateral and request any additional information be forwarded to them. On the day over 120 people took the opportunity to attend the stand and engage with staff. Key areas of advice or information that were requested from our staff were:

- > Southern Memorial Park (progress and opening date);
- > ashes interment at Southern Memorial Park;
- > natural burials; and
- > Crematorium tours.

Representatives from several aged care providers sought to arrange tours of Canberra Memorial Parks facilities.

### Other Engagement

Community and religious groups consulted in 2022-23 included the following:

- > Leaders from the Jewish Orthodox and Progressive Faiths
- > Ngunnawal Caring for Country Committee
- > Leaders from the Hindu, Nepali and Jain communities

- > Elders and leaders from Aboriginal and Torres Strait Islander Communities
- > Council on the Aging.

### Community support initiatives

The Authority did not provide any grants, assistance, or sponsorships in 2022-23.

## Aboriginal and Torres Strait Island Reporting

A portion of the Gungahlin Cemetery, developed in consultation with local elders, has been set aside for members of the Aboriginal and Torres Strait Islander community.

During the year Aboriginal and Torres Strait Islander representatives were met with to discuss improving the portion and raising awareness of interment options.

Significant consultation was undertaken in 2023-23 in relation to the design of stage 1 Southern Memorial Park.

The TCCS Annual Report ([page 87](#)) provides further detail on the Reconciliation Action Plan and other Whole of Government diversity employment strategies to which the Authority adheres.

## Work Health and Safety

The Authority continues to be proactive in maintaining and improving workplace health and safety (WHS). The Authority has a WHS Committee, chaired by the CEO which meets quarterly. It also has two health and safety representatives (WHSR), with two members of the committee are elected by employees of the Authority.

A Work Health and Safety Check audit was conducted in 2022-23 and reported to the Audit and Risk-Committee in June 2022. A Work Health and Safety Management System audit (SWB) was completed during 2022-23 which identified three non-conformance matters out of 50 criteria. There audit identified opportunities for the improvement, including implementation of Chemwatch chemical management system, updating the WHS Monitor with emergency evacuation drill information and developing and implementing a competency verification process. The Authority is currently implementing these improvements.

Promotion of safety measures and the Employee Assistance Program has continued in the workplace. As Authority employees are TCCS employees, the Authority adopts TCCS WHS policies and procedures. Incidents are reported and recorded

using the TCCS WHS reporting framework.

The equivalent of one day of lost time was related to workplace injuries in 2022-23.

Table 42: Top three work health and safety risks and mitigation strategies

No.	Risk	Mitigation Strategy
1	Working in confined spaces	Employees conducting this activity attend Grave-Safe Training, a course provided by the NSW Cemetery and Crematoria Association.
2	Working with machinery	The Authority has adopted Plant-Assessor, a software program which monitors maintenance requirements and procedures for the use of plant and machinery.
3	Working in isolation	Toolbox meetings are conducted daily, and employee breaks are held in central locations.

## Human Resource Management

The day-to-day management of Authority staff is the responsibility of the CEO, Grounds Manager, and the Business Manager, all of whom have direct reports. Teams within TCCS provide support and oversight in all workforce related matters.

The Authority is a small agency, and the workforce has employees who are cross-skilled. To maintain a continuous service for the community, contractors are used to ensure staff are available when necessary. Cemetery employees are deployed flexibly and move between cemeteries to maintain operations.

### Employee Profile

To meet community needs, Canberra Memorial Parks' staff provide:

- > general administration and operational support for more than 30 denominations and 14 burial and interment practices;
- > customer service that is efficient and empathetic to cemetery customers, funeral directors and the general community;
- > secretariat and logistical support for the CEO and the Board;
- > planning and policy formulation, much of which is specific and tailored to the cemetery industry;
- > regular attendance at conferences to remain informed regarding the cemetery and crematoria industry;

- > horticultural maintenance including large areas of manicured turf and gardens;
- > arboriculture for our significant areas of forest, heritage listed native Australian and exotic tree species;
- > grave digging operations across a wide variety of burial options and denomination requirements including the preparation and installation of new burial areas, landscaping, and roads; and
- > operation and maintenance of a wide range of horticulture specific plant and equipment assets for both ground maintenance and cemetery specific activities.

All staff have performance agreements in place which set out performance measures, areas for improvement and a tailored training program for the year. Agreements are reviewed twice per year.

Table 43: Employment profile at 30 June 2023

Classification	Female	Male	Total <sup>1</sup>
Executive Officers	0	1	1
Senior Officers	0	2	2
Administrative Officers	3	1	4
Technical Officers	1	4	5
General Service Officers	0	7	7

1 Number positions filled with contracted labour: One Maternity leave vacancy was filled with contracted labour.

## Learning and Development

Staff are required to maintain minimum levels of training, which for out-of-doors staff includes certification for various types of plant and equipment, industry specific safety procedures and chemical handling. Staff are encouraged to enhance their skills where possible.



Image: a horticulturalist tends to plants at Woden Cemetery

Table 44: Training courses attended during 2022-23

Training Course	No. Attended
Aboriginal & Torres Strait Islander Cultural Awareness	3
Backhoe & Front-End Loader - Verification of Competency	1
Chainsaw	2
Chemical Certificate	5
Confined Spaces	1
Conflict of Interest	14
Crystalline Silica Exposure Prevention	6
Cyber Security	3
Disability Awareness	2
Elevated Work Platform <12m	4
Fraud and Ethics	15
Health and Safety Representative - Initial 5 day	2
Information Privacy	13
Manual Handling	8
Redco	1
Respect, Equity and Diversity - Online	8
Security Awareness - Online	8
Skidsteer - Verification of Competency	2
TCCS Directorate Induction	1
Temporary Traffic Management	2
Work Health and Safety - Online	6

Table 45: Water usage for 2022-23

Water Use (Megalitres)	2022-23 <sup>1</sup>	2021-22
Ground maintenance	21.3	24.5
Potable water (included in above)	0	0
Bore water	4.2	0
Supplied by third parties (bore and captured)	0	0
Captured water returned to the ornamental lake	0	0

1 Reduced water usage as a result of higher than average rainfall during 2022-23.

## Ecologically Sustainable Development

Gungahlin Cemetery and Woden Cemetery are principally lawn cemeteries with under-turf irrigation. Previous dry periods and water restrictions necessitated a reduction in water use. As a result, the Authority has done considerable work to replace cool season grasses with warm season grasses to reduce water use, mowing frequency and other maintenance costs.

The ACT had a wetter than average year in 2022-23, like 2021-22 in contrast to the dry conditions of the previous three years up to 2020-21.

During 2022-23, the wettest month was October 2022 in which Canberra received 145 millimetres of rain, the highest October rainfall on record.

This wetter than average year resulted in reduced water consumption for 2022-23 as shown in [Table 45](#).

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# MANAGEMENT DISCUSSION AND ANALYSIS

Cemeteries and Crematoria Authority Year  
Ended 30 June 2023

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# 1. GENERAL OVERVIEW

## 1.1. Introduction

The Cemeteries and Crematoria Authority (the Authority), trading as Canberra Memorial Parks, is a statutory authority established on 23 August 2020 under the [Cemeteries and Crematoria Act 2020](#). The Authority has previously traded under different names and was first established on 27 September 2003 under the *Cemeteries and Crematoria Act 2003 (repealed)*.

The Authority is under the direction of the Minister for Transport and City Services (the Minister).

## 1.2. Objectives

The aim of the Authority is to manage public cemeteries and crematoria in the ACT effectively and efficiently. This includes cemeteries at Gungahlin, Hall and Woden, a mausoleum on the grounds of Woden Cemetery and a crematorium on the grounds of Gungahlin Cemetery.

The Authority operates in accordance with the *Financial Management Act 1996*. It is self-funded with revenue predominantly sourced from the sale of allotments, burial activities, memorialisation and cremation services.

## 1.3. Perpetual Care Trust (PCT)

The Government has a liability for ongoing maintenance of Cemeteries once the burial and ash plots are all sold. The Authority is responsible for making contributions into a Perpetual Care Trust (PCT) at rates determined by the Minister to fund this liability.

The Authority has paid contributions and retained investment earnings in perpetual care trusts that fund the liability created since establishment in 2003, and has also reduced the pre 2003 unfunded liability by \$1.989m to 30 June 2023. The future contributions payable into the PCT as determined by the Minister are anticipated to remove all the unfunded liability once all the graves and ashes interments are sold and all the current Cemeteries are closed.

Under the [Cemeteries and Crematoria Act 2020](#) a new Perpetual Care Trust has been established and the funds in the previous PCT (short term maintenance) and PCTR (long term maintenance) have been transferred into the new Trust.

Under Part 7 of the Act, the Minister determined that 8.2% of licensee receipts (specific revenue items) are to be paid into this Trust for period 1 July 2022 to 30 June 2023. The total payment to be made for period 1 July 2022 to 30 June 2023 is due and payable to the Public Trustee and Guardian prior to 31 October 2023.

## 1.4. Crematorium

Gungahlin Crematorium was approved to operate on 24 February 2021 and the first cremations occurred on 26 February 2021. The facility was officially opened, by the Minister, on 15 March 2021. The Crematorium during 2022-23 conducted 433 cremations, an increase of 15% on the previous year.

## 1.5. Risk Management

The Authority's approach to risk management provides clients with assurance that the Authority can deliver low risk and high value services. To support this the Authority has the following plans in place:

- Statement of Strategic Guidance
- Strategic Risk Register and Risk Appetite Statement
- Delivery Program
- Operational Risk Register
- Business Continuity Plan; and
- Fraud and Corruption Prevention Plan.

## 2. NET COST OF SERVICES

The following table is based on audited financial statements for 2022-23 and 2021-22 and the Estimates presented for 2023-24 to 2026-27 are based on the 2022-23 Budget Statements. The crematorium figures are incorporated in the overall results below.

**Table 1: Net Cost of Services**

Net Cost of Services	Actual 2021-22 \$m	Budget 2022-23 \$m	Actual 2022-23 \$m	Budget 2023-24 \$m	Forward Estimate 2024-25 \$m	Forward Estimate 2025-26 \$m
Total Expenses	5.051	5.306	4.775	5.767	5.965	6.089
Total Revenues	5.240	5.363	6.234	6.174	6.477	6.734
<b>Net Cost of Services</b>	<b>(0.189)</b>	<b>(0.057)</b>	<b>(1.459)</b>	<b>(0.407)</b>	<b>(0.512)</b>	<b>(0.645)</b>

### Comparison to Original Budget

The Authority has achieved an operating surplus for 2022-23 of \$1.459 million which was \$1.402 million better than the Original Budgeted surplus of \$0.057 million. The variance is explained in the Financial Performance section below and in the notes to the Financial Statements.

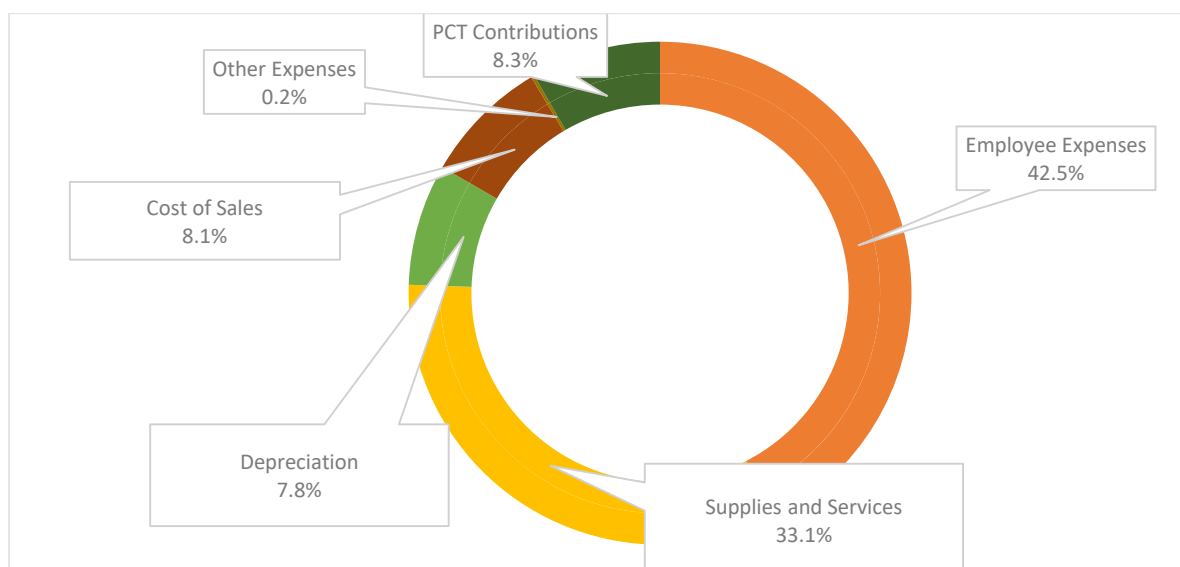
### Comparison to Prior Year

The Net Cost of Services for 2022-23 was a negative \$1.459 million which was \$1.270 million better than the prior year amount of negative \$0.189 million. The negative net cost of services is indicating the Authority is earning sufficient revenue to cover its expenses in the 2022-23 financial year. The variance is explained in Section 3.1 Total Expenses and Section 3.2 Total Revenues below.

## 3. FINANCIAL PERFORMANCE

### 3.1 Total Expenses

**Figure 1 Components of expenses for the year ended 30 June 2023.**



### The main components were:

- Employee Expenses of \$2.028 million (42.5%); and
- Supplies and Services of \$1.579 million (33.1%) including;
  - Repairs and Maintenance of \$0.326 million;
  - Labour Hire of \$0.273 million;
  - Consultants, HR and Legal Fees of \$0.150 million;
  - Auditor Service Fees of \$0.142 million; and
  - Board Fees and Charges of \$0.104 million.

### Comparison to Budget

Total Expenses of \$4.775 million was \$0.531 million or 10% lower than the 2022-23 Budget of \$5.306 million. The variance is mainly due to lower:

- Employee Expenses (\$0.249 million) primarily due to vacant positions and a lower rate used to measure the present value of leave provisions;
- Supplies and Services (\$0.168 million) primarily due to reduced water usage as a result of higher than average rainfall during 2022-23 and the delay in securing several services as a result of contractor shortages which is partially offset by higher labour hire costs; and
- Cost of Goods Sold (\$0.144 million) primarily due to a significant reduction in the sale of Crypts with a total of only 6 sold in 2023 and 31 sold in 2022 and the Vaults being costed to Inventory rather than Cost of Goods Sold during 2022-23.

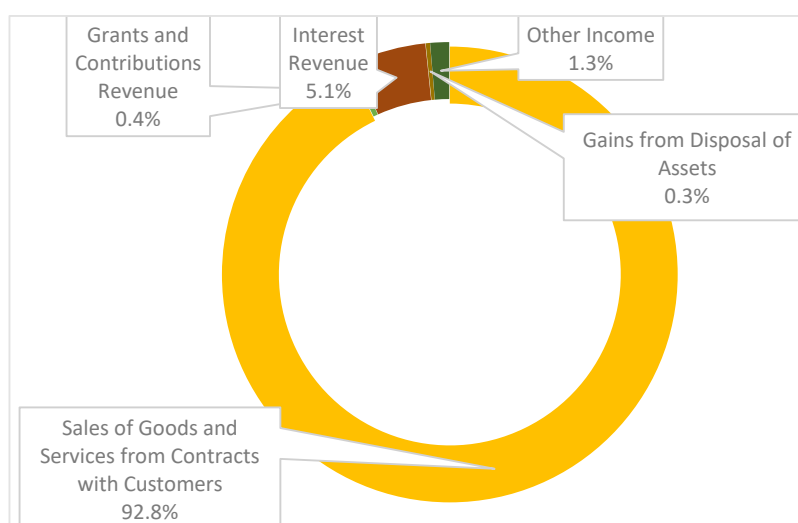
### Comparison to Prior Year

Total Expenses were \$0.276 million or 5% lower than the previous year amount of \$5.051 million. This was mainly due to lower:

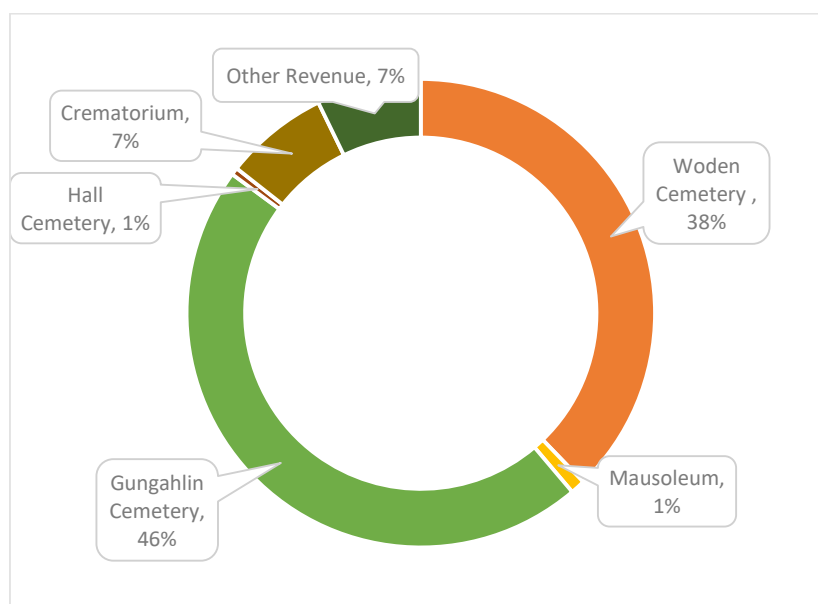
- Employee Expenses (\$0.108 million) mainly due to vacant positions in 2023 and a lower rate used to measure the present value of leave provisions; and
- Cost of Goods (\$0.117 million) due to significant reduction at sale of Crypts with total of 6 sold in 2023 and 31 sold in 2022 and the Vaults being costed to Inventory rather than Cost of Goods Sold during 2022-23.

## 3.2 Total Revenues

Figure 2 Components of revenue for the year ended 30 June 2023.



**Figure 3. Components of Revenue by Memorial Park for the year ended 30 June 2023.**



**The main components were:**

- Sales of Goods and Services from Contracts with Customers of \$5.785 million (92.8%); and
- Interest Revenue of \$0.320 million (5.1%).

**Comparison to Budget**

Total Revenues of \$6.234 million was \$0.871 million or 16% higher than the 2022-23 Budget of \$5.363 million. The higher than budgeted revenue was a result of higher:

- Sales of Goods and Services from Contracts with Customers (\$0.651 million) due to release of new products including the Eternity Ash Memorial Garden at Woden Cemetery with higher than expected sales revenue; and
- Interest revenue (\$0.260 million) due to increased cash balances and higher interest rates.

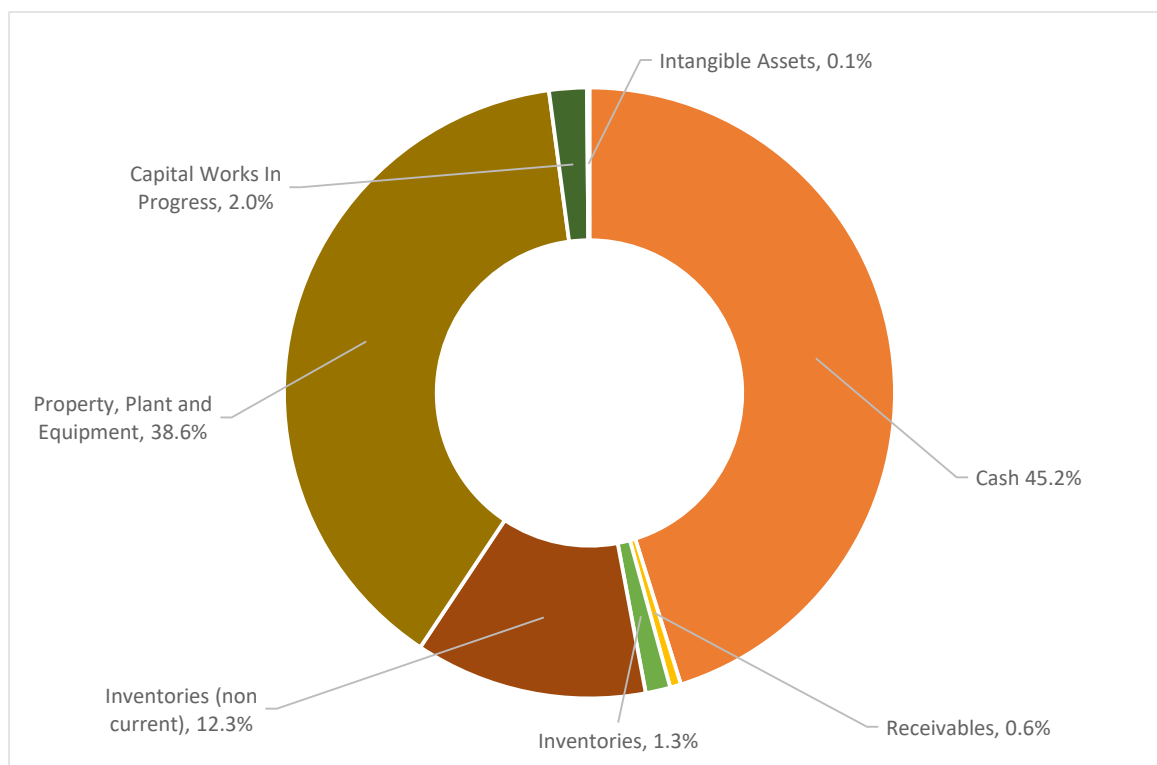
**Comparison to Prior Year**

Total Revenues was \$0.994 million or 19% higher than the previous year amount of \$5.240 million. The increase is largely due to higher:

- Sales of Goods and Services from Contracts with Customers Revenues (\$0.777 million) primarily due to the opening of the Eternity Ash Memorial Garden at Woden Cemetery with higher than expected sales; and
- Interest revenue (\$0.258 million) due to increased cash balances and higher interest rates.

### 3.3 Total Assets

Figure 4 Components of assets as at 30 June 2023.



#### The main components were:

- Cash of \$10.185 million (45.2%);
- Property, Plant and Equipment of \$8.690 million (38.6%); and
- Inventories of \$3.069 million (13.6%).

#### Comparison to Budget

Total Assets of \$22.567 million was \$4.199 million or 23% higher than the 2022-23 Budget of \$18.368 million. The higher than budgeted total assets were a result of increases in:

- Cash (\$3.456 million) due to higher sales of goods and services to customers, interest revenue and delay in construction of the Memorial Hall and Condolence lounge at Gungahlin Memorial Park; and
- Property, Plant and Equipment (\$1.841 million) due to asset revaluation increases of the roads at Woden and Gungahlin Cemeteries.

The above increase is partially offset by lower Capital Works in Progress (\$1.050 million) due to delay in the construction of the Memorial Hall and Condolence lounge at Gungahlin Memorial Park.

#### Comparison to Prior Year

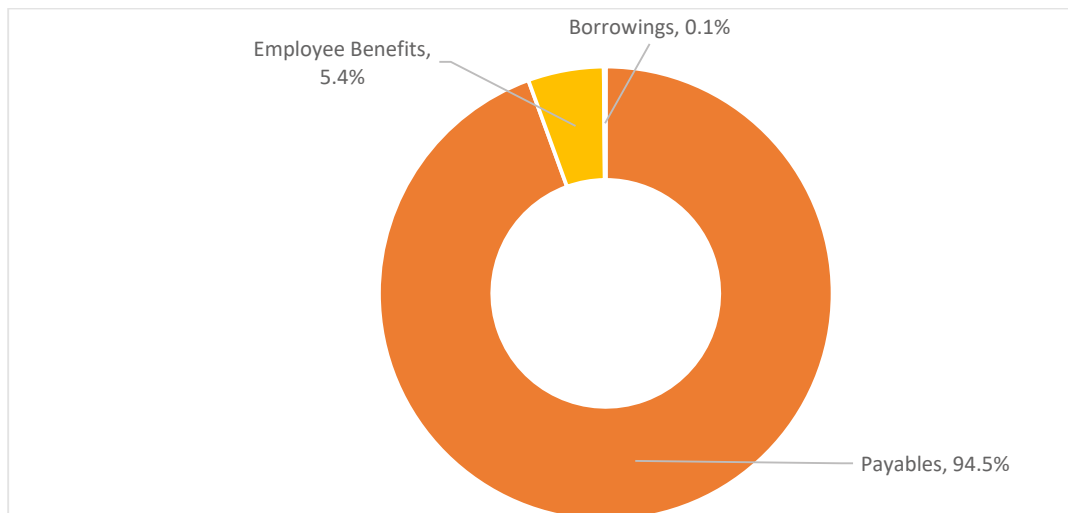
Total Assets were \$4.407 million or 24% higher than the previous year amount of \$18.160 million. The increase is largely due to increases in:

- Cash (\$1.971 million) due to sales of goods and services to customers, interest revenue and delay in the construction of the Memorial Hall and Condolence lounge at Gungahlin Memorial Park;
- Property, Plant and Equipment (\$1.789 million) due to asset revaluation increases of the

- roads at Woden and Gungahlin Cemeteries;
- Capital Works In Progress (\$0.450 million) due to commencement of the Memorial Hall and Condolence lounge project at Gungahlin Memorial Park to provide full service for both burial and cremation; and
- Inventories (\$0.239 million) due to new products developed including the development of a new ashes memorialisation Garden at Gungahlin and Woden Cemetery, and an increased demand for concrete vaults.

### 3.4 Total Liabilities

Figure 5 Components of liabilities as at 30 June 2023.



Of the total liabilities as at 30 June 2023 of \$11.961 million, around 88% (\$10.550 million) relates to contract liabilities. This relates to monies received for burial and memorialisation services for services which have not been performed as at 30 June 2023.

#### Comparison to Budget

Total Liabilities as at 30 June 2023 were \$11.961 million, or 6.3% (\$0.706 million) higher than the 2022-23 Budget of \$11.255 million. The increase is largely due to higher Payables including higher Contract Liabilities (\$0.780 million) which relates to higher than budgeted reservations.

#### Comparison to Prior Year

Total Liabilities as at 30 June 2023 increased by \$1.038 million or 9.5% from the previous year amount of \$10.923 million. The increase is largely due to higher Payables including higher Contract Liabilities (\$0.914 million) which relates to higher reservations and Trade Payables (\$0.114 million).

## 4. LIQUIDITY

‘Liquidity’ is the ability of the Authority to satisfy its short-term debts as they fall due. A common indicator for liquidity is the current ratio, which compares the ability to fund current liabilities from current assets. A ratio of less than one may indicate a reliance on borrowings.

Table 2 and 3 indicate the liquidity position of the Authority.

**Table 2: Current Ratio**

	Prior Year Actuals	Current Year		Out Years		
	2022	Actuals	Budget	Budget	Budget	Budget
		2023	2023	2024	2025	2026
Current Assets (\$'000)	8,553	10,624	6,985	5,696	7,080	8,611
Current Liabilities (\$'000)	10,888	11,923	11,214	11,647	12,045	12,444
Current Ratio	0.79	0.89	0.62	0.49	0.59	0.69

The Authority's current ratio for the financial year to 30 June 2023 is 0.89. While this ratio is better than the 2022-23 budget and the 2021-22 outcome, it is deemed to be below the acceptable rate. This is due to the inclusion of contract liabilities and employee benefits liabilities.

- Contract liabilities relate to revenue received in advance for pre-purchased burial services, only 4.3 percent has historically been taken-up within 12 months. As such, for the purposes of determining an appropriate current ratio, \$0.454 million is considered a short-term liability with \$10.096 million considered a long-term liability; and
- Of the employee benefits liabilities, historically on average 5 percent of the long service leave liabilities and 54 percent of the Annual leave liability are taken up within 12 months. As such, for the purposes of determining a realistic current ratio, \$0.227 million is considered a current liability with \$0.419 million deemed a long-term liability.

A more accurate indication of the current ratio for the Authority is to treat these portions of current liabilities, as non-current liabilities. This is because they are not expected to be paid or recognised within 12 months of the reporting date.

Performing this adjustment indicates a revised current ratio of 7.42 as indicated in Table 3, indicating the Authority can comfortably meet debt obligations as they fall due. A reduction from the 2022-23 actual current ratio of 7.42 to 3.79 budgeted in 2023-24 is due to the capital investment in the Memorial Hall and Condolence lounge at Gungahlin Memorial Park.

**Table 3: Adjusted Current Ratio**

	Prior Year Actuals	Current Year		Out Years		
	2022	Actuals	Budget	Budget	Budget	Budget
		2023	2023	2024	2025	2026
Current Assets (\$'000)	8,553	10,624	6,985	5,696	7,080	8,611
Current Liabilities (\$'000)	1,291	1,433	1,436	1,503	1,535	1,568
Current Ratio	6.63	7.42	4.86	3.79	4.61	5.49

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## INDEPENDENT AUDITOR'S REPORT

### CEMETERIES AND CREMATORIA AUTHORITY

To the Members of the ACT Legislative Assembly

#### Adverse Opinion

I have audited the financial statements of the Cemeteries and Crematoria Authority (Authority) for the year ended 30 June 2023 which comprise the operating statement, balance sheet, statement of changes in equity, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In my opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion* section of my report, the financial statements do not:

- (i) present fairly, in all material respects, the Authority's financial position as at 30 June 2023, and its financial performance and cash flows for the year then ended; and
- (ii) present in accordance with the *Financial Management Act 1996* nor do they comply with Australian Accounting Standards.

#### Basis for Adverse Opinion

In accordance with the *Cemeteries and Crematoria Act 2020* (Act) the aim of the Authority is to manage public cemeteries and crematoria effectively and efficiently. To that aim, the Act requires the establishment of one Perpetual Care Trust (PCT) for the long-term maintenance of the facility operated by the Authority. The Act also requires the Authority to maintain the facility to an acceptable standard.

In my opinion, the Authority is required to recognise the funds within the PCT as an asset, as the Authority controls the funds in accordance with the Australian Accounting Standards. In addition, the Authority is required to recognise, measure and disclose a provision for future maintenance in accordance with Australian Accounting Standard AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

The Governing Board of the Authority has determined that they are not required to recognise either the PCT funds, nor the provision for future maintenance and as such transactions have not been recorded in the financial statements of the Authority.

In my opinion, as at 30 June 2023, the balance sheet of the Authority fails to properly recognise and disclose an amount of \$12.4 million in funds within the PCT that should be reflected as an asset in the balance sheet.

At the same time the balance sheet of the Authority fails to recognise, measure and disclose an estimated provision for future maintenance of approximately \$45.2 million. Whilst the precise measurement of the provision cannot be known, because of the estimation uncertainty surrounding such provisions, the amount, in my opinion, is both material and pervasive to the financial statements.

As these balances were previously not recognised by the Authority, the opening balances as at 1 July 2021 also require adjustment with an impact on equity.

I conducted the audit in accordance with the Australian Auditing Standards. My responsibilities under the standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of this report.

I am independent of the Authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (Code). I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my adverse opinion.

#### **Responsibilities of the Authority for the financial statements**

The Governing Board of the Authority is responsible for:

- preparing and fairly presenting the financial statements in accordance with the *Financial Management Act 1996*, and relevant Australian Accounting Standards;
- determining the internal controls necessary for the preparation and fair presentation of the financial statements so that they are free from material misstatements, whether due to error or fraud; and
- assessing the ability of the Authority to continue as a going concern and disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting in preparing the financial statements.

#### **Auditor's responsibilities for the audit of the financial statements**

Under the *Financial Management Act 1996*, the Auditor-General is responsible for issuing an audit report that includes an independent opinion on the financial statements of the Authority.

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the Authority's internal controls;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Authority;

- conclude on the appropriateness of the Authority's use of the going concern basis of accounting and, based on audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in this report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of this report. However, future events or conditions may cause the Authority to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether they represent the underlying transactions and events in a manner that achieves fair presentation.

I communicated with the Governing Board of the Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Ajay Sharma  
Assistant Auditor-General, Financial Audit  
29 August 2023

**FINANCIAL STATEMENTS  
OF  
CEMETERIES AND CREMATORIA AUTHORITY**

**FOR THE YEAR ENDED  
30 JUNE 2023**

**Cemeteries and Crematoria Authority  
Financial Statements  
For the Year Ended 30 June 2023**

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**Statement of Responsibility**

In my opinion, except for the matters described in Note No.1(iii), the Cemeteries and Crematoria Authority's financial statements fairly reflect the financial operations for the year ended 30 June 2023 and its financial position on that date.



Neale Guthrie  
Chair of the Board  
Cemeteries and Crematoria Authority  
25 August 2023

**Cemeteries and Crematoria Authority  
Financial Statements  
For the Year Ended 30 June 2023**

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**Statement by the Chief Executive Officer**

In my opinion, except for the matters described in Note No.1(iii), the Cemeteries and Crematoria Authority's financial statements have been prepared in accordance with the Australian Accounting Standards, are in agreement with its accounts and records and fairly reflect the financial operations for the year ended 30 June 2023 and its financial position on that date.



Kerry Stuart McMurray  
Chief Executive Officer  
Cemeteries and Crematoria Authority  
25 August 2023

# Cemeteries and Crematoria Authority

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**CEMETERIES AND CREMATORIA AUTHORITY**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

## Cemeteries and Crematoria Authority

### Operating Statement

### For the Year Ended 30 June 2023

	Note No.	Actual 2023 \$'000	Original Budget 2023 \$'000	Actual 2022 \$'000
<b>Income</b>				
Sales of Goods and Services from Contracts with Customers	4	5,785	5,134	5,008
Grants and Contributions Revenue		27	86	28
Interest Revenue	5	320	60	62
Gains from Disposal of Assets		19	-	60
Other Income		83	83	82
<b>Total Income</b>		<b>6,234</b>	<b>5,363</b>	<b>5,240</b>
<b>Expenses</b>				
Employee Expenses	6	2,028	2,277	2,136
Supplies and Services	7	1,579	1,747	1,628
Depreciation and Amortisation		373	395	433
Cost of Goods Sold	8	386	530	503
Transfers to the Perpetual Care Trust <sup>a</sup>		399	356	350
Other Expenses		10	1	1
<b>Total Expenses</b>		<b>4,775</b>	<b>5,306</b>	<b>5,051</b>
<b>Operating Result</b>		<b>1,459</b>	<b>57</b>	<b>189</b>
<b>Other Comprehensive Income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Increase in the Asset Revaluation Surplus	12	1,910	-	-
<b>Total Other Comprehensive Result</b>		<b>1,910</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Result</b>		<b>3,369</b>	<b>57</b>	<b>189</b>

a. Transfers to the Perpetual Care Trust are recorded as Other Expenses in the Budget Papers.

The above Operating Statement is to be read in conjunction with the accompanying notes.

CEMETERIES AND CREMATORIA AUTHORITY  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

## Cemeteries and Crematoria Authority Balance Sheet As at 30 June 2023

	Note No.	Actual 2023 \$'000	Original Budget 2023 \$'000	Actual 2022 \$'000
<b>Current Assets</b>				
Cash	9	10,185	6,729	8,214
Receivables		131	107	171
Inventories	10	295	136	153
Other Assets		13	13	15
<b>Total Current Assets</b>		<b>10,624</b>	<b>6,985</b>	<b>8,553</b>
<b>Non-Current Assets</b>				
Inventories	10	2,774	3,005	2,677
Capital Works in Progress	11	450	1,500	-
Property, Plant and Equipment	12	8,690	6,849	6,901
Intangible Assets		29	29	29
<b>Total Non-Current Assets</b>		<b>11,943</b>	<b>11,383</b>	<b>9,607</b>
<b>Total Assets</b>		<b>22,567</b>	<b>18,368</b>	<b>18,160</b>
<b>Current Liabilities</b>				
Payables	13	11,298	10,582	10,291
Employee Benefits	14	621	628	593
Borrowings		4	4	4
<b>Total Current Liabilities</b>		<b>11,923</b>	<b>11,214</b>	<b>10,888</b>
<b>Non-Current Liabilities</b>				
Employee Benefits	14	25	28	18
Borrowings		13	13	17
<b>Total Non-Current Liabilities</b>		<b>38</b>	<b>41</b>	<b>35</b>
<b>Total Liabilities</b>		<b>11,961</b>	<b>11,255</b>	<b>10,923</b>
<b>Net Assets</b>		<b>10,606</b>	<b>7,113</b>	<b>7,237</b>
<b>Equity</b>				
Accumulated Funds		6,002	4,419	4,543
Asset Revaluation Surplus		4,604	2,694	2,694
<b>Total Equity</b>		<b>10,606</b>	<b>7,113</b>	<b>7,237</b>

The above Balance Sheet is to be read in conjunction with the accompanying notes.

CEMETERIES AND CREMATORIA AUTHORITY  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

## Cemeteries and Crematoria Authority Statement of Changes in Equity For the Year Ended 30 June 2023

	Accumulated Funds Actual 2023 \$'000	Asset Revaluation Surplus Actual 2023 \$'000	Total Equity Actual 2023 \$'000	Total Equity Original Budget 2023 \$'000
<b>Balance at 1 July 2022</b>	<b>4,543</b>	<b>2,694</b>	<b>7,237</b>	<b>7,056</b>
<b>Comprehensive Income</b>				
Operating Result	1,459	-	1,459	57
Increase in the Asset Revaluation Surplus	-	1,910	1,910	-
<b>Total Comprehensive Result</b>	<b>1,459</b>	<b>1,910</b>	<b>3,369</b>	<b>57</b>
<b>Balance at 30 June 2023</b>	<b>6,002</b>	<b>4,604</b>	<b>10,606</b>	<b>7,113</b>

	Accumulated Funds Actual 2022 \$'000	Asset Revaluation Surplus Actual 2022 \$'000	Total Equity Actual 2022 \$'000
<b>Balance at 1 July 2021</b>	<b>4,354</b>	<b>2,694</b>	<b>7,048</b>
<b>Comprehensive Income</b>			
Operating Result	189	-	189
<b>Total Comprehensive Result</b>	<b>189</b>	<b>-</b>	<b>189</b>
<b>Balance at 30 June 2022</b>	<b>4,543</b>	<b>2,694</b>	<b>7,237</b>

The above Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

**CEMETERIES AND CREMATORIA AUTHORITY**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

## Cemeteries and Crematoria Authority

### Statement of Cash Flows

### For the Year Ended 30 June 2023

	Note No.	Actual 2023 \$'000	Original Budget 2023 \$'000	Actual 2022 \$'000
<b>Cash Flows from Operating Activities</b>				
<b>Receipts</b>				
Sales of Goods and Services from Contracts with Customers		6,751	5,484	5,491
Interest Received		320	60	63
Goods and Services Tax Input Tax Credit from the Australian Taxation Office		249	229	216
Goods and Services Tax Collected from Customers		679	522	560
Other		85	83	76
<b>Total Receipts from Operating Activities</b>		<b>8,084</b>	<b>6,378</b>	<b>6,406</b>
<b>Payments</b>				
Employee Payments		1,994	2,239	2,037
Supplies and Services		1,467	1,719	1,795
Related to Cost of Goods Sold		626	891	396
Goods and Services Tax Remitted to the Australian Taxation Office		718	547	545
Goods and Services Tax Paid to Suppliers		271	204	216
Transfers to the Perpetual Care Trust <sup>a</sup>		350	330	-
<b>Total Payments from Operating Activities</b>		<b>5,426</b>	<b>5,930</b>	<b>4,989</b>
<b>Net Cash Inflows from Operating Activities</b>	9	<b>2,658</b>	<b>448</b>	<b>1,417</b>
<b>Cash Flows from Investing Activities</b>				
<b>Receipts</b>				
Proceeds from the Sale of Property, Plant and Equipment		20	-	72
<b>Total Receipts from Investing Activities</b>		<b>20</b>	<b>-</b>	<b>72</b>
<b>Payments</b>				
Purchase of Property, Plant and Equipment		253	301	387
Purchase of Capital Works		450	1,500	-
<b>Total Payments from Investing Activities</b>		<b>703</b>	<b>1,801</b>	<b>387</b>
<b>Net Cash (Outflows) from Investing Activities</b>		<b>(683)</b>	<b>(1,801)</b>	<b>(315)</b>
<b>Cash Flows from Financing Activities</b>				
<b>Payments</b>				
Repayment of Carbon Neutral Fund Loan		4	5	4
<b>Total Payments from Financing Activities</b>		<b>4</b>	<b>5</b>	<b>4</b>
<b>Net Cash (Outflows) from Financing Activities</b>		<b>(4)</b>	<b>(5)</b>	<b>(4)</b>
<b>Net Increase/(Decrease) in Cash</b>		<b>1,971</b>	<b>(1,358)</b>	<b>1,098</b>
Cash at the Beginning of the Reporting Period		8,214	8,087	7,116
<b>Cash at the End of the Reporting Period</b>	9	<b>10,185</b>	<b>6,729</b>	<b>8,214</b>

The above Statement of Cash Flows is to be read in conjunction with the accompanying notes.

**CEMETERIES AND CREMATORIA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 1. OBJECTIVES OF CEMETERIES AND CREMATORIA AUTHORITY**

**(i) Operations and Principal Activities**

The Cemeteries and Crematoria Authority (the Authority), trading as Canberra Memorial Parks, is a not-for-profit independent statutory authority established on 23 August 2020 under the *Cemeteries and Crematoria Act 2020* (the Act). The Authority has previously traded as the ACT Public Cemeteries Authority and was first established on 27 September 2003 under the *Cemeteries and Crematoria Act 2003 (repealed)*. The aim of the Authority is to manage public cemeteries and crematoria effectively and efficiently under the Act. It manages and operates three public cemeteries at Gungahlin, Woden and Hall, a Mausoleum on the grounds of Woden Cemetery and a Crematorium on the grounds of Gungahlin Cemetery. It aims to operate sustainably on a user pays principle to minimise costs to the ACT Government and the community.

Under Section 114 of the Act, the functions of the Authority are:

- a) to develop, build or operate a facility approved by the Minister under Section 115; and
- b) to recognise the rights of people to the dignified and respectful treatment of their human remains and the human remains of their loved ones when operating the facility; and
- c) to respect the diverse burial, cremation and interment practices, cultural practices and religious beliefs of people when operating the facility; and
- d) to operate the facility in a financially sustainable way; and
- e) to promote financially sustainable practices for burying or cremating human remains or interring cremated remains at the facility; and
- f) to maintain the facility to an acceptable standard; and
- g) any other function given to the Authority under this Act or another territory law.

The Authority provides a wide range of burial options (largely on a monopoly basis) and operates a crematorium and ash interment services (on a competitive basis) to meet the needs of the users. It promotes the pre-purchase of cemetery services, which allows members of the community to plan arrangements ahead of when they are needed.

**(ii) Perpetual Care Trust Arrangements**

A Perpetual Care Trust (Trust) has been established under the Act for the long-term maintenance of the facilities operated by the Authority as the current licensee once a cemetery is closed.

The Minister for Transport and City Services (the Minister) determines the Perpetual Care Trust percentage (also known as the PCT percentage) of the licensee receipts for the facilities to be paid into the Trust. The PCT percentage is the percentage the Minister considers necessary to ensure there are sufficient funds in the Trust to adequately maintain the facilities in perpetuity. There is a requirement under the Act to review the PCT percentage at least once every five years, the percentage was last reviewed in May 2022. In accordance with section 106 of the Act, the PCT percentage determined by the Minister for the period 1 July 2022 to 30 June 2023 is 8.2 percent. The Act requires the payment of the PCT percentage of licensee receipts to the trustee no later than 31 October after the end of each financial year. The ACT Public Trustee and Guardian is the trustee of the Trust.

The amount in the Trust is set aside for the purpose of long-term maintenance after a cemetery is closed and can only be accessed with approval from the Minister. A Regulator is appointed by the Minister to administer the Act. The establishment of the Trust is undertaken by the Regulator.

**(iii) Non-compliance with Australian Accounting Standards – Non recording of Assets and Liabilities relating to the Perpetual Care Trust**

The Board considered three separate independent pieces of advice, two accounting and one legal advice, on the control of the Trust and the required accounting treatment. Both pieces of accounting advice state that under the Australian Accounting Standards, the Authority in substance has an asset and a liability relating to the maintenance of facilities operated by the Authority that is to be recorded in its financial statements. However, the Board has assessed that the advice provides conflicting opinions in relation to the control of the Trust, the value of the liability and the intent of the *Cemeteries and Crematoria Act 2020* in relation to the Trust.

**CEMETERIES AND CREMATORIA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**(iii) Non-compliance with Australian Accounting Standards – Non recording of Assets and Liabilities relating to the Perpetual Care Trust**

Based on the Board's assessment that the advice is in conflict, it has formed the view that there is uncertainty around the control, value of the liability and the intent of the Act, and as a result have resolved at this time not to recognise either the assets (PCT funds), or the liability (provision for future maintenance) in its 2022-23 Financial Statements. The Board acknowledges that this results in non-compliance with Australian Accounting Standards and a Modified Auditor's Report on the Financial Statements, however, it is working with the Transport Canberra and City Services Directorate on numerous sections of the Act to resolve the matter in the 2023-24 financial year.

**CEMETERIES AND CREMATORIA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

## **NOTE 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS**

### **Legislative Requirements**

The *Financial Management Act 1996* (FMA) requires the preparation of annual financial statements for ACT Government territory authorities.

The FMA and the *Financial Management Guidelines* issued under the Act, requires the Authority's financial statements to include:

- i. an Operating Statement for the year;
- ii. a Balance Sheet at the end of the year;
- iii. a Statement of Changes in Equity for the year;
- iv. a Statement of Cash Flows for the year;
- v. the material accounting policies adopted for the year; and
- vi. other statements as necessary to fairly reflect the financial operations of the Authority during the year and its financial position at the end of the year.

These general-purpose financial statements have been prepared in accordance with:

- i. Australian Accounting Standards (as required by the FMA); and
- ii. ACT Accounting and Disclosure Policies.

### **Accrual Accounting**

The financial statements have been prepared using the accrual basis of accounting. The financial statements are prepared according to historical cost convention, except Property, Plant and Equipment and financial instruments which are valued at fair value in accordance with revaluation policies applicable to the Authority during the reporting period.

### **Currency**

These financial statements are presented in Australian dollars, which is the functional currency.

### **Individual not-for-profit Reporting Entity**

The Authority is an individual not-for-profit reporting entity.

### **Licensee Receipts**

There is a requirement to audit licensee receipts under Section 67 (1) of the *Cemeteries and Crematoria Act 2020*. A licensee receipt is the amount received for the giving of right of burial or right of interment, the burial of human remains, the interment or disinterment of cremated remains or the memorialisation of a deceased person. The licensee receipts in 2022-23 are \$4.9m (\$4.2m in 2021-22). The Perpetual Care Trust contribution of \$0.4m is payable by 31 October 2023 on these licensee receipts to the ACT Public Trustee and Guardian.

### **Reporting Period**

These financial statements state the financial performance, changes in equity and cash flows of the Authority for the year ended 30 June 2023 together with the financial position of the Authority as at 30 June 2023.

### **Comparative figures**

#### *Budget Figures*

To facilitate a comparison with the Budget Papers, as required by the FMA, budget information for 2022-23 has been presented in the financial statements. Budget numbers in the financial statements are the original budget numbers that appear in the Statement of Intent.

#### *Prior Year Comparatives*

Comparative information has been disclosed in respect of the previous period for amounts reported in the financial statements, except where an Australian Accounting Standard does not require comparative information to be disclosed. Where the presentation or classification of items in the financial statements is amended, the comparative amounts have been reclassified where practical. Where a reclassification has occurred, the nature, amount and reason for the reclassification is provided.

**CEMETERIES AND CREMATORIA AUTHORITY**  
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**FOR THE YEAR ENDED 30 JUNE 2023**

## **NOTE 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS - CONTINUED**

### *Rounding*

All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000). Use of “-” represents zero amounts or amounts rounded down to zero.

### **Going Concern**

The 2022-23 financial statements have been prepared on a going-concern basis.

As at 30 June 2023, the Authority's current liabilities exceeds its current assets. However, this shortfall largely results from contract liabilities being classified as current in the financial statements because they cannot be deferred, even though most are not expected to be paid or recognised within 12 months of the reporting date.

A more accurate indication of the Authority's short-term financial position is provided by excluding the estimated amount of employee benefits that are not expected to be paid and contract liabilities that are not expected to be recognised within 12 months of the reporting date. When reported current liabilities are adjusted to exclude these amounts, the Authority's current assets (\$10.6m) exceeds its adjusted current liabilities (\$2.0m) by \$8.6m and the adjusted current ratio is 7.4:1 as at 30 June 2023. This indicates the Authority can pay its debts in the short-term, and is therefore considered a going-concern.

## **NOTE 3. IMPACT OF ACCOUNTING STANDARDS ISSUED BUT YET TO BE APPLIED**

All Australian Accounting Standards and Interpretations issued but yet to be applied are applicable to future reporting periods and will be adopted from their application date.

Standards and Interpretations issued but yet to be applied have been assessed as not being relevant to the Authority or will have an immaterial financial impact on the Authority. However, the Authority is currently assessing whether AASB 2022-10 will have a material financial impact.

AASB 2022-10 amends AASB 13 by adding authoritative implementation guidance and providing related illustrative examples, for fair value measurements of non-financial assets of not-for-profit public sector agencies not held primarily for their ability to generate net cash inflows. The standard now:

(a) specifies that agencies are required to consider whether the asset's highest and best use differs from its current use only when it is held for sale or held for distribution to owners in accordance with AASB 5 *Non-current Assets Held for Sale and Discontinued Operations* or it is highly probable that the asset will be used for an alternative purpose to its current use;

(b) clarifies that the asset's use is 'financially feasible' if market participants would be willing to invest in the asset's service capacity, considering both the capability of the asset to be used to provide needed goods or services to beneficiaries and the resulting cost of those goods or services;

(c) specifies that, if both the market selling price of a comparable asset and some market participant data required to measure the fair value of the asset are not observable, an agency uses its own assumptions as a starting point in developing unobservable inputs and adjusts those assumptions to the extent that reasonably available information indicates that other market participants (including, but not limited to, other not-for-profit public sector agencies) would use different data; and

(d) provides guidance on how the cost approach is to be applied to measure the asset's fair value, including guidance on the nature of costs to include in the replacement cost of a reference asset and on the identification of economic obsolescence.

**CEMETERIES AND CREMATORIA AUTHORITY**  
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## **INCOME NOTES**

### **Material Accounting Policies – Income**

#### **Income Recognition**

Revenue is recognised in accordance with AASB 15 *Revenue from Contracts with Customers* where the contract is enforceable and contains sufficiently specific performance obligations, otherwise revenue is in the scope of AASB 1058 *Income of Not-for Profit Entities*.

## **NOTE 4. SALES OF GOODS AND SERVICES FROM CONTRACTS WITH CUSTOMERS**

### **Description and Material Accounting Policies relating to the Sale of Goods and Services**

Sales of Goods and Services from Contracts with Customers are based on the transfer of promised goods or services to customers at an amount that reflects the consideration in exchange for those goods or services. They are legally retained by the Authority and driven by consumer demand and preferences.

Revenue is recognised either over time or at a point in time. The Authority has undertaken a review of information about contracts and other arrangements to determine whether the goods and services it provides need to be classified as revenue from contracts with customers in accordance with AASB 15. Revenue from contracts with customers has been assessed to determine the timing and nature of the satisfaction of performance obligations. Where a contract contains multiple performance obligations, the transaction price is allocated to each distinct performance.

#### **AASB 15**

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the entity expects to receive in exchange for those goods or services. Revenue is recognised by applying a five step model as follows:

1. identify the contract with the customer;
2. identify the performance obligations;
3. determine the transaction price;
4. allocate the transaction price; and
5. recognise revenue as or when control of the performance obligation is transferred to the customer.

The timing of the receipt of the consideration in respect of the sale of the goods and the rendering of the services largely corresponds with the timing of the satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

Sales are generally separated into seven types: allotment, maintenance, burial, crematorium and sales of plaques, monuments and memorial permits. Allotment and maintenance income is recognised immediately when an allotment is paid for as the customer receives the right to an allotment upon payment and the maintenance service is an ongoing regular business activity of the Authority. The grounds are regularly maintained and all performance obligations for maintenance are recognised immediately. Burial and cremation services is the performance obligation to a customer and therefore, revenue is recognised at this time. Prepaid burial, cremation services, plaque and memorial permit components of the fees are initially recognised as contract liabilities on the balance sheet as the performance obligation is not considered to be met until the service is provided. The plaque and monument income is recognised when an order is placed and the performance obligation is the ordering of the personalised plaque or monument. The memorial permit income is recognised when the memorial is assessed for compliance and the performance obligation is met when the permit is provided to the customer.

**CEMETERIES AND CREMATORIA AUTHORITY**  
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**NOTE 4. SALES OF GOODS AND SERVICES FROM CONTRACTS WITH CUSTOMERS – CONTINUED**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Burial Income <sup>b</sup>	3,980	3,556
Ashes Income <sup>c</sup>	946	294
Mausoleum Income <sup>d</sup>	62	529
Crematorium Income	450	328
Other Sale of Goods and Services	347	301
<b>Total Sales of Goods and Services from Contracts with Customers <sup>a</sup></b>	<b>5,785</b>	<b>5,008</b>

- a. The categories under Sales of Goods and Services From Contracts With Customers have been modified in the 2022-23 reporting period to be better in line with the associated Cost of Goods Sold categories. The previous year's actual has been re-mapped into the new categories.
- b. The increase (\$0.4 million) is mainly due to the newly developed burial areas at both Woden and Gungahlin Cemeteries during 2022-23.
- c. The increase (\$0.7 million) is mainly due to the opening of the Eternity Memorial Garden at Woden Cemetery with higher than expected sales revenue.
- d. The significant decrease (\$0.5 million) is mainly driven by a significant reduction at sale of crypts with a total of 6 in 2023 and 31 in 2022.

**NOTE 5. INTEREST REVENUE**

**Description and Material Accounting Policies relating to Investment Revenue**

The Authority has a set-off bank account through the Territory Banking Account with Westpac Bank as part of the Whole-Of-Government Banking Arrangement and the Authority earns interest on the funds in this bank account.

The Authority also invests funds with the ACT Public Trustee and Guardian, this investment is separate to and unrelated to funds held by the ACT Public Trustee and Guardian as Trustee of the Perpetual Care Trust.

The Authority during the year transferred \$3.5 million from ACT Public Trustee and Guardian to the Territory Banking Account to maximise interest returns. These funds earned an average floating interest rate of 3.89%.

Funds invested in the ACT Public Trustee and Guardian, but not relating to PCT Investment, earned an average floating interest rate of 2.07% (0.79% in 2021-22).

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Interest Revenue	320	62
<b>Total Interest Revenue <sup>a</sup></b>	<b>320</b>	<b>62</b>

- a. The increase in interest revenue is due to higher cash holdings during the financial year as a result of higher sales of goods and services to customers and increases in interest rates.

**CEMETERIES AND CREMATORIA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
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## **EXPENSES NOTES**

### **NOTE 6. EMPLOYEE EXPENSES**

#### **Description and Material Accounting Policies Relating to Employee Expenses**

Employee benefits include:

- Short-term employee benefits such as wages and salaries, annual leave loading and applicable on-costs, if expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related services;
- Other long-term benefits such as long service leave and annual leave; and
- Termination benefits.

On-costs include annual leave, long service leave, superannuation and other costs that are included when employees take annual leave and long service leave.

Employees of the Authority will have different superannuation agreements due to the type of superannuation schemes available at the time of commencing employment, including both defined benefit and defined contribution superannuation scheme arrangements.

For employees who are members of the defined benefit Public Sector Superannuation Scheme (PSS), the Authority makes employer superannuation contribution payments to the Territory Banking Account at a rate determined by the Chief Minister, Treasury and Economic Development Directorate. The Authority also makes productivity superannuation contribution payments on behalf of these employees to the Commonwealth Superannuation Corporation, which is responsible for administration of the schemes.

For employees who are members of defined contribution superannuation schemes (the Public Sector Superannuation Scheme Accumulation Plan (PSSAP) and schemes of employee choice), the Authority makes employer superannuation contribution payment directly to the employees' relevant superannuation fund.

All defined benefit employer superannuation contributions are recognised as expenses on the same basis as the employer superannuation contributions made to defined contributions schemes. The accruing superannuation liability obligations are expensed as they are incurred and extinguished as they are paid.

#### **Superannuation Liability Recognition**

For employees who are members of the defined benefit PSS, the employer superannuation liabilities for superannuation benefits payable upon retirement are recognised in the Financial Statements of the Superannuation Provision Account.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Wages and Salaries	1,614	1,661
Annual Leave Expense	106	126
Long Service Leave Expense	2	70
Fringe Benefits Tax	25	23
Workers' Compensation Insurance Premium	52	33
Superannuation Contributions to the Territory Banking Account	41	41
Superannuation to External Providers	188	182
<b>Total Employee Expenses <sup>a</sup></b>	<b>2,028</b>	<b>2,136</b>

- a. The decrease is due to vacant positions in 2023 and lower rate used to measure the present value of leave provisions. The decrease is offset by an increase in Labour Hire, refer Note 7. Supplies and Services.

**CEMETERIES AND CREMATORIA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

## **NOTE 7. SUPPLIES AND SERVICES**

### **Description and Material Accounting Policies Relating to Supplies and Services**

#### *General – Supplies and Services*

Purchases of Supplies and Services generally represent the day-to-day running costs incurred in normal operations, recognised in the reporting period in which these expenses are incurred.

#### *Auditor Service Fees*

Includes financial audit services provided by the ACT Audit Office and any other services provided by a contract auditor engaged by the ACT Audit Office to conduct the financial audit. The Authority audit fees for the audit of its 2022-23 financial statements was \$0.09m (\$0.09m 2021-22). No other services were provided by the ACT Audit Office.

#### *Insurance*

Major risks are insured through the ACT Insurance Authority. The excess payable, under this arrangement, varies depending on each class of insurance held.

#### *Repairs and Maintenance*

Maintenance expenses, which do not increase the service potential of an asset, are expensed.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Water Charges	57	71
Repairs and Maintenance	326	314
Handling Fees to Funeral Directors	82	81
Insurance and Security	48	55
Audit Service Fees <sup>b</sup>	142	235
Accounting	115	113
Consultants, HR and Legal Fees	150	214
Labour Hire <sup>a</sup>	273	147
Electricity, Gas and Cleaning	80	85
Tools, ICT and Computer Consumables	52	40
Board Fees and Charges	104	105
Other	150	168
<b>Total Supplies and Services</b>	<b>1,579</b>	<b>1,628</b>

a. The increase is mainly due to contractor labour hire staff utilised to backfill vacant positions.

b. The Authority paid \$0.09m to the ACT Audit Office and the remaining fees are for internal audit.

**CEMETERIES AND CREMATORIA AUTHORITY**  
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**NOTE 8. COST OF GOODS SOLD**

**Description and Material Accounting Policies Relating to Cost of Goods Sold**

Burials – Direct costs incurred to facilitate burial services and the creation of sites for burials, e.g. cost of land, surveying, beams, gardens, vaults and opel boxes.

Ashes – Direct costs incurred to facilitate interment services and the creation of sites for interment of ashes, e.g. cost of land, surveying, gardens, ornamental features and rocks.

Mausoleum – Direct costs incurred to create the site for crypts and columbaria, and the cost of inscriptions for mausoleum panels and photos.

Crematorium – Direct costs to procure packaging for ashes including urns and keepsakes.

Other – Direct costs to procure memorial plaques, dedication seats, vases, granite blocks and headstone bases for memorialisation and exhumation costs.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Burials	156	174
Ashes <sup>b</sup>	48	5
Mausoleum <sup>c</sup>	18	151
Crematorium	27	21
Other	137	152
<b>Cost of Goods Sold <sup>a</sup></b>	<b>386</b>	<b>503</b>

- a. The categories under Cost of Goods Sold have been modified to be better in line with the Sales of Goods and Services from Contracts with Customers. The previous year's actual has been re-mapped into the new categories.
- b. The increase is due to the opening of Eternity Memorial Garden at Woden Cemetery with higher than expected sales which caused higher associated cost of goods sold.
- c. The decrease is mainly driven by a significant reduction at sale of crypts with a total of 6 in 2023 and 31 in 2022 and the vaults being costed to Inventory rather than Cost of Goods Sold in accordance with Authority's new Inventory and Costs of Goods Sold Accounting Policy.

**CEMETERIES AND CREMATORIA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
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## **ASSETS NOTES**

### **Material Accounting Policies - Assets**

#### **Assets - Current & Non-Current**

Assets are classified as current where they are expected to be realised within 12 months after the reporting date. Assets which do not fall within the current classification are classified as non-current.

## **NOTE 9. CASH**

### **Description and Material Accounting Policies Relating to Cash and Investments**

#### *Cash and Cash Equivalents*

Cash includes Cash at Bank.

The Authority is holding one bank account with the Westpac Banking Corporation as part of whole-of-government banking arrangements. The Authority receives interest on this account with an average floating interest rate of 3.89%.

The Authority also invests funds with the ACT Public Trustee and Guardian, this investment is separate to and unrelated to funds held by the ACT Public Trustee and Guardian as Trustee of the Perpetual Care Trust.

The Authority during the year transferred \$3.5m from the ACT Public Trustee and Guardian to the Territory Banking Account with Westpac due to higher interest rates.

#### *Investments*

The Authority investment with the ACT Public Trustee and Guardian earned an average floating interest rate of 2.07% (0.79% in 2021-22).

#### **(a) Cash Balance**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current Cash</b>		
Cash at Bank <sup>a</sup>	8,587	3,175
Public Trustee and Guardian Cash Common Fund <sup>b</sup>	1,598	5,039
<b>Total Current Cash</b>	<b>10,185</b>	<b>8,214</b>
 <b>Total Cash</b>	 <b>10,185</b>	 <b>8,214</b>

- a. The increase is due to higher sales of goods and services to customers and the transfer of funds from the ACT Public Trustee and Guardian Cash Common Fund to a Westpac bank account due to higher interest rates. Part of these funds is reserved for the construction of the Memorial Hall and Condolence Lounge at Gungahlin.
- b. The decrease is due to a transfer of \$3.5m to a Westpac bank account with higher interest returns.

**CEMETERIES AND CREMATORIA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 9. CASH - CONTINUED**

**(b) Reconciliation of Cash at the End of the Reporting Period in the Statement of Cash Flows to the Equivalent Items in the Balance Sheet.**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Total Cash and Investments recorded in the Balance Sheet	10,185	8,214
<b>Cash at the End of the Reporting Period as Recorded in the Statement of Cash Flows</b>	<b>10,185</b>	<b>8,214</b>

**(c) Reconciliation of Operating Result to Net Cash Inflows from Operating Activities**

Operating Result	1,459	189
<b>Add/(Less ) Non-Cash Items</b>		
Depreciation of Property, Plant and Equipment	373	433
Interest-free Borrowings	1	1
<b>Add/(Less) Items Classified as Investing or Financing</b>		
Net (Gain) on Disposal of Assets	(19)	(60)
<b>Cash Before Changes in Operating Assets and Liabilities</b>	<b>1,814</b>	<b>563</b>
<b>Changes in Operating Assets and Liabilities</b>		
Decrease/(Increase) in Receivables	40	(51)
(Increase)/Decrease in Inventories	(239)	107
Decrease/(Increase) in Other Assets	2	(3)
Increase in Payables	1,007	702
Increase in Employee Benefits	35	99
<b>Net Changes in Operating Assets and Liabilities</b>	<b>844</b>	<b>854</b>
<b>Net Cash Inflows from Operating Activities</b>	<b>2,658</b>	<b>1,417</b>

**CEMETERIES AND CREMATORIA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
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## **NOTE 10. INVENTORIES**

### **Description and Material Accounting Policies Relating to Inventories**

#### *Inventory*

Inventories held by the Authority include goods and land allocated for interment or memorialisation purposes held for sale, or for consumption in the ordinary course of business operations. It excludes depreciable assets. Inventories are valued at the lower of cost and net realisable value. The cost of land allocated for interment purposes is assigned on the basis of weighted average cost and includes adjacent land and landscaping that add to the amenity of the land for interment.

Net realisable value is determined using the estimated sales proceeds less costs incurred in marketing, selling and distribution to customers.

Inventories acquired for no cost or nominal consideration is measured at current replacement cost at the date of acquisition.

Inventories are classified as either Work in Progress or Finished Goods. Work in Progress includes undeveloped land and expenditure on inventories partially constructed, but not available for sale. Finished Goods are inventories available for sale to customers including land to be used for interment purposes.

Inventories expected to be sold or utilised within 12 months are recorded as current inventories, with the balance as non-current inventories.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current Inventories</b>		
<b>Work in Progress/Undeveloped</b>		
Land: Interment Purposes - Cost	87	26
<b>Total Work In Progress/Undeveloped</b>	<b>87</b>	<b>26</b>
<b>Finished Goods</b>		
Land: Interment Purposes - Cost	48	30
Mausoleum Crypts and Wall Niches - Cost	113	96
Memorials - Cost	47	1
<b>Total Finished Goods</b>	<b>208</b>	<b>127</b>
<b>Total Current Inventories <sup>a</sup></b>	<b>295</b>	<b>153</b>
<b>Non-Current Inventories</b>		
<b>Work in Progress/Undeveloped</b>		
Land: Interment Purposes - Cost	425	469
<b>Total Work In Progress/Undeveloped</b>	<b>425</b>	<b>469</b>
<b>Finished Goods</b>		
Land: Interment Purposes - Cost	696	529
Mausoleum Crypts and Wall Niches - Cost	1,653	1,679
<b>Total Finished Goods</b>	<b>2,349</b>	<b>2,208</b>
<b>Total Non-Current Inventories</b>	<b>2,774</b>	<b>2,677</b>
<b>Total Inventories</b>	<b>3,069</b>	<b>2,830</b>

a. The increase in Current Inventories is mainly due to new products developed including the development of a new ashes memorialisation Garden at Gungahlin and Woden Cemetery, and an increased demand for concrete vaults.

**CEMETERIES AND CREMATORIA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
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**NOTE 10. INVENTORIES – CONTINUED**

**Reconciliation of Inventory**

	2023 \$'000	2022 \$'000
<b>Cost of Sales</b>		
Opening Inventory at the beginning of the Financial Year	2,830	2,937
- Purchases	383	108
- Cost of Sales	(144)	(215)
<b>Closing Inventory at the End of the Financial Year</b>	<b>3,069</b>	<b>2,830</b>

**NOTE 11. CAPITAL WORKS IN PROGRESS**

**Description and Material Accounting Policies Relating to Capital Works in Progress**

The Authority is to construct a Memorial Hall and Condolence Lounge at Gungahlin Memorial Park to provide full service for both burials and cremations. A full service offering provides the facilities to the community to hold a memorial service, burial, cremation and wake in the one location. These assets are measured at the cost of constructing of the asset. The cost includes direct construction costs (e.g. direct materials and direct labour).

The total project cost is budgeted with the project being delivered by Infrastructure Delivery, a business unit of the Transport Canberra and City Services Directorate (TCCS). The facility will provide a memorial hall with seating for 110, a condolence lounge for the same number together with outdoor areas and associated carparking infrastructure. The project is fully funded by the Authority. As at 30 June 2023 no tender has been awarded for the construction of this project and no additional commitment has been entered into.

	Infrastructure Works in Progress \$'000	Total \$'000
<b>Reconciliation of Capital Works in Progress 2022-23</b>		
<b>Carrying Amount at the Beginning of the Reporting Period</b>	-	-
Additions	450	450
<b>Carrying Amount at the End of the Reporting Period</b>	<b>450</b>	<b>450</b>

**CEMETERIES AND CREMATORIA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
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## **NOTE 12. PROPERTY, PLANT AND EQUIPMENT**

### **Description and Material Accounting Policies Relating to Property, Plant and Equipment**

Property, Plant and Equipment includes the following classes of assets:

- **Land** is defined as the ground, including the soil covering and any associated surface waters. Land held by the Authority includes leasehold land and land under roads.
- **Buildings** are structures that have a roof and walls which stand permanently in one place. These structures are separately identifiable from the land they are constructed upon and as such do not include this land. Buildings held by the Authority include office buildings, workshops, crematorium and mausoleum.
- **Infrastructure Assets** are physical assets that typically have a long useful life and consist of a complex interconnected network of individual components, which enhance the productivity capacity of the economy and supports cemetery and crematoria services. Infrastructure assets held by the Authority include roadways, landscaping, dams and site improvements.
- **Plant and Equipment** are tangible assets like machinery, apparatus, appliances, containers, implements or tools that are used to produce goods or assist in providing services to the community. Plant and equipment tend to be smaller and more mobile in nature than other types of property, plant and equipment like buildings, roads and land. The Plant and Equipment includes various gardening and power tools and office equipment.
- **Motor Vehicles:** The Authority currently owns three vehicles.
- **Heritage Assets.** Heritage assets refer to assets that have unique cultural, historical, geographical, scientific, and/or environmental attributes and that Government intends to preserve indefinitely because of those attributes. A common feature of heritage assets is that they cannot be replaced and they are not usually available for sale or for redeployment. Heritage assets held by the Authority include:
  - Woden Caretakers Cottage - Woden Cemetery
  - Offices/Visitors Rooms - Woden Cemetery

### *Acquisition and Recognition of Property, Plant and Equipment*

Property, Plant and Equipment assets are initially recorded at cost. Where Property, Plant and Equipment assets are acquired at no cost, or minimal cost, cost is at fair value as at the date of acquisition.

Items of Property, Plant and Equipment with a value greater than \$5,000 are capitalised.

### *Measurement of Property, Plant and Equipment after Initial Recognition*

Property, Plant and Equipment is valued using revaluation model of valuation, if at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place. The Authority measures land, buildings, and infrastructure assets at fair value. Any Accumulated Depreciation relating to depreciable Property, Plant and Equipment at the date of revaluation is written back against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Property, Plant and Equipment assets are recorded at the market value of similar items or depreciated replacement cost as determined by an independent valuer. In some circumstances, buildings that are purpose built may in fact realise more or less in the market. The Authority uses its understanding of current market conditions, as well as comparisons to the value of Property, Plant and Equipment at similar organisations to estimate fair value. The fair value of assets is subject to management assessment between formal valuations.

### *Valuation of Non-Current Assets*

Revaluations were undertaken by Egan National Valuers (ACT) and Pickles Valuations Pty Limited as at 30 June 2023. A market based direct comparison approach was used for Land. The depreciated replacement cost method was used for Buildings and Infrastructure Assets. The market approach was used for Plant and Equipment and Motor Vehicles.

**CEMETERIES AND CREMATORIA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 12. PROPERTY, PLANT AND EQUIPMENT - CONTINUED**

The Authority has made a significant estimate regarding the fair value of its assets. Land and Buildings have been recorded at the market value of similar properties as determined by an independent valuer. In some circumstances, buildings that are purpose built may in fact realise more or less in the market. Infrastructure Assets have been recorded at fair value based on current replacement cost as determined by an independent valuer. The valuation uses significant judgements and estimates to determine fair value, including the appropriate indexation figure, zoning restrictions and quantum of assets held. The fair value of assets is subject to management assessment between valuations.

*Revaluation*

Land, building, infrastructure assets and heritage assets are revalued every three years. Towards the end of each financial year, the Cemeteries and Crematoria Authority assesses whether there are any 'indicators' that the carrying amount of their Property, Plant and Equipment is materially different to fair value. Where these indicators exist, the asset will be revalued regardless of when the last valuation took place. Any accumulated depreciation relating to building at the date of revaluation is written back against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Any accumulated depreciation relating to infrastructure assets is restated proportionally with the change in the gross carrying amount so that the net carrying amount of those assets after revaluation equals its revalued amount.

*Impairment of assets*

The Authority assesses, at each reporting date, whether there is any indication that an asset may be impaired. Assets are also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Any resulting impairment losses for Property, Plant and Equipment are recognised as a decrease in the Asset Revaluation Surplus relating to these classes of assets where possible. This is because these asset classes are measured at fair value and have an Asset Revaluation Surplus attached to them. Where the impairment loss is greater than the balance in the Asset Revaluation Surplus for the relevant class of asset, the difference is expensed in the Operating Statement.

Impairment losses for plant and equipment are recognised in the Operating Statement – Other Expenses, as plant and equipment is carried at cost but do not have an Asset Revaluation Surplus attached to them. The carrying amount of the asset is reduced to its recoverable amount.

Non-financial assets that have previously been impaired are reviewed for possible reversal of impairment at each reporting date.

*Depreciation and Useful Life*

Depreciation is applied to physical assets such as Buildings, Infrastructure Assets, and Plant and Equipment. Amortisation is used in relation to intangible assets such as software and licences.

**CEMETERIES AND CREMATORIA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 12. PROPERTY, PLANT AND EQUIPMENT - CONTINUED**

All depreciation is calculated after first deducting any residual values which remain for each asset.

Depreciation for non-current assets is determined as follows:

<b>Class of Asset</b>	<b>Depreciation Method</b>	<b>Useful Life (Years)</b>
Buildings	Straight-Line	2-100
Infrastructure	Straight-Line	3-138
Plant and Equipment	Straight-Line	2-126
Motor Vehicles	Diminishing Value	5-10
Heritage Assets	Straight-Line	Infinite

The Authority has made a significant estimate in determining the useful lives of its Property, Plant and Equipment. The estimation of useful lives of Property, Plant and Equipment is based on the historical experience of similar assets and in some cases has been based on valuations provided by independent valuers. The useful lives are assessed on an annual basis and adjustments are made when necessary.

**Reconciliation of Property, Plant and Equipment 2022-23**

	<b>Land \$'000</b>	<b>Buildings \$'000</b>	<b>Infrastructure Assets \$'000</b>	<b>Heritage Assets \$'000</b>	<b>Plant and Equipment \$'000</b>	<b>Motor Vehicles \$'000</b>	<b>Total \$'000</b>
<b>Carrying Amount at the Beginning of the Reporting Period</b>	47	3,024	2,520	-	1,256	54	6,901
Additions	-	-	24	-	184	46	254
Depreciation	-	(95)	(129)	-	(132)	(17)	(373)
Disposals	-	-	-	-	-	(2)	(2)
Increase in the Asset Revaluation Surplus	-	337	1,307	-	196	70	1,910
Other Movement <sup>a</sup>	-	(280)	-	280	-	-	-
<b>Carrying Amount at the End of the Reporting Period</b>	<b>47</b>	<b>2,986</b>	<b>3,722</b>	<b>280</b>	<b>1,504</b>	<b>151</b>	<b>8,690</b>

Carrying Amount at the End of the Reporting Period, is represented by:

Gross Book Value	47	2,986	3,722	280	1,507	153	8,695
Accumulated Depreciation	-	-	-	-	(3)	(2)	(5)

- a. There are two buildings that have been reclassified from Buildings to Heritage Assets during the latest revaluation process in June 2023. The two buildings are the Woden Caretakers Cottage and the Offices/Visitors Rooms at Woden Cemetery.

**CEMETERIES AND CREMATORIA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 12. PROPERTY, PLANT AND EQUIPMENT - CONTINUED**

**Reconciliation of Property, Plant and Equipment - 2021-22**

	<b>Land</b>	<b>Buildings</b>	<b>Infrastructure</b>	<b>Plant and</b>	<b>Motor</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>Assets</b>	<b>Equipment</b>	<b>Vehicles</b>	<b>\$'000</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Carrying Amount at the Beginning of the Reporting Period</b>	47	3,119	2,651	1,063	79	6,959
Additions	-	-	-	386	-	386
Depreciation	-	(95)	(131)	(182)	(25)	(433)
Disposals	-	-	-	(11)	-	(11)
<b>Carrying Amount at the End of the Reporting Period</b>	<b>47</b>	<b>3,024</b>	<b>2,520</b>	<b>1,256</b>	<b>54</b>	<b>6,901</b>

Carrying Amount at the End of the Reporting Period, is represented by:

Gross Book Value	47	3,185	2,780	1,504	122	7,638
Accumulated Depreciation	-	(161)	(260)	(248)	(68)	(737)

**CEMETERIES AND CREMATORIA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 12. PROPERTY, PLANT AND EQUIPMENT - CONTINUED**

**Fair Value Hierarchy**

The Fair Value Hierarchy below reflects the significance of the inputs used in determining fair value. The Fair Value Hierarchy is made up of the following three levels:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets that the Authority can access at the measurement date;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for asset, either directly or indirectly; and
- Level 3 – inputs that are unobservable for particular assets or liabilities.

Details of Property, Plant and Equipment at fair value and information about the Fair Value Hierarchy as at 30 June are as follows:

	Classification According to the Fair Value Hierarchy		
	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>2023</b>			
<b>Property, Plant and Equipment at Fair Value</b>			
Land	-	47	47
Buildings	-	2,986	2,986
Heritage Assets	-	280	280
Infrastructure Assets	-	3,722	3,722
Plant and Equipment	1,504	-	1,504
Motor Vehicles	151	-	151
<b>Total</b>	<b>1,655</b>	<b>7,035</b>	<b>8,690</b>

	Classification According to the Fair Value Hierarchy		
	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>2022</b>			
<b>Property, Plant and Equipment at Fair Value</b>			
Land	-	47	47
Buildings	-	3,024	3,024
Infrastructure Assets	-	2,520	2,520
Plant and Equipment	1,256	-	1,256
Motor Vehicles	54	-	54
<b>Total</b>	<b>1,310</b>	<b>5,591</b>	<b>6,901</b>

**CEMETERIES AND CREMATORIA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 12. PROPERTY, PLANT AND EQUIPMENT - CONTINUED**

**Transfers Between Categories**

There have been no transfers between Levels 2 and 3 during the current and previous reporting period.

**Valuation Techniques, Inputs and Processes**

**Level 2 Valuation Techniques and Inputs**

Valuation Technique: the valuation technique used to value Plant and Equipment is the market approach that reflects recent transaction prices for similar Plant and Equipment.

**Level 3 Valuation Techniques and Significant Unobservable Inputs**

Land

Valuation Technique: Land where there is no active market or significant restrictions is valued through the market approach.

Significant Unobservable Inputs: selecting land with similar approximate utility. In determining the value of land with similar approximate utility, significant adjustment to market based data was required.

In determining the value of Land, sales of vacant land with a similar specialised nature and similar restrictive zonings and crown lease purpose clauses have been used for the square metre rate. Given the specialised nature of the property including that the land would have limited alternate use is impacted by restrictive zoning and heritage listing, a lower nominal value was deemed appropriate. The land fair value has been significantly reduced to incorporate the market based data.

Building and Infrastructure Assets

Valuation Technique: the valuation of Buildings and Infrastructure Assets were measured using the cost or depreciated replacement costs approach.

Significant Unobservable Inputs: estimating the cost to a market participant to construct assets of comparable utility adjusted for obsolescence. For buildings, historical cost per square metre of floor area was also used in measuring fair value. For infrastructure assets the historical costs per cubic metre was also used in measuring fair value. The valuation of Buildings and Infrastructure Assets was performed by comparing prices and other relevant information generated by market transactions involving comparable land and buildings. Regard was taken of the Crown Lease terms and tenure, The Australian Capital Territory Plan and the National Capital Plan, where applicable, as well as current zoning. Regard was given to the age and condition of the assets, their estimated replacement cost and current use. This required the use of internal data provided by the Authority.

**CEMETERIES AND CREMATORIA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
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**NOTE 12. PROPERTY, PLANT AND EQUIPMENT - CONTINUED**

Fair Value Measurements using Significant Unobservable Inputs (Level 3)

	Land	Buildings	Infrastructure Assets	Heritage Assets
	\$'000	\$'000	\$'000	\$'000
<b>2023</b>				
<b>Fair Value at the Beginning of the Reporting Period</b>	47	3,024	2,520	-
Additions	-	-	24	-
Depreciation	-	(95)	(129)	-
Increase in the Asset Revaluation Surplus		337	1,307	-
Other Movement <sup>a</sup>		(280)		280
<b>Fair Value at the End of the Reporting Period</b>	<b>47</b>	<b>2,986</b>	<b>3,722</b>	<b>280</b>

a. There are two buildings have been reclassified from Buildings to Heritage Assets during the latest revaluation process in Jun 2023. The two buildings included Caretaker Cottage and Offices/Visitor Room at Woden.

	Land	Buildings	Infrastructure Assets
	\$'000	\$'000	\$'000
<b>2022</b>			
<b>Fair Value at the Beginning of the Reporting Period</b>	47	3,119	2,651
Additions	-	-	-
Depreciation	-	(95)	(131)
<b>Fair Value at the End of the Reporting Period</b>	<b>47</b>	<b>3,024</b>	<b>2,520</b>

**CEMETERIES AND CREMATORIA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

## **LIABILITIES NOTES**

### **Material Accounting Policies - Liabilities**

#### **Liabilities – Current and Non-Current**

Liabilities are classified as current when they are due to be settled within 12 months after the reporting date or the Authority does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Liabilities which do not fall within the current classification are classified as non-current.

## **NOTE 13. PAYABLES**

### **Description and Material Accounting Policies Relating to Payables**

#### *Payables*

Cemeteries and Crematoria Authority Payables include Trade Payables and Accrued Expenses. Payables are initially recognised at fair value based on the transaction cost and subsequent to initial recognition at amortised cost, with any adjustments to the carrying amount being recorded in the Operating Statement. All amounts are normally settled within thirty days after the invoice date.

#### *Contract liabilities*

Contract liabilities relate to consideration received in advance from customers in respect of Sales of Goods and Services Revenue with Sufficiently Specific Performance Obligations. When an amount of consideration is received from customers prior to the Authority meeting its performance obligations for providing goods or services under contract with customers, the balance of the consideration which has not been transferred is presented as a contract liability.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current Payables</b>		
Trade Payables	142	28
Accrued Expenses	77	109
Perpetual Care Trust Payables	399	350
Goods and Services Tax Payable	130	168
Amounts Received Related to Contracts with Customers for Goods and Services where the Performance Obligations has not yet been Satisfied <sup>a</sup>	10,550	9,636
<b>Total Current Payables</b>	<b>11,298</b>	<b>10,291</b>
 Revenue Recognised that was Included in the Contract Liability Balance at the Beginning of the Reporting Period	 <b>513</b>	 <b>463</b>
<b>Split of Payables and Contract Liabilities</b>		
Current Payables	748	655
<b>Total Payables</b>	<b>748</b>	<b>655</b>
 Current Contract Liabilities	 10,550	 9,636
<b>Total Contract Liabilities</b>	<b>10,550</b>	<b>9,636</b>
 <b>Total Current Payables</b>	 <b>11,298</b>	 <b>10,291</b>

- a. Cemeteries and Crematoria Authority estimates that 4.3% (\$0.5m) of the Contract Liabilities will be delivered in the next 12 months and will recognise the revenue in 2023-24. The remaining 95.7% (\$10.1m) will be recognised as revenue after the services are delivered in future years.

**CEMETERIES AND CREMATORIA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 13. PAYABLES - CONTINUED**

Payables are aged as follows:	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Not Overdue	748	655
<b>Total Payables</b>	<b>748</b>	<b>655</b>

**NOTE 14. EMPLOYEE BENEFITS**

**Description and Material Accounting Policies Relating to Employee Benefits**

***Accrued wages and salaries***

Accrued Wages and Salaries are measured at the amount that remains unpaid to employees at the end of the reporting period.

***Annual and Long Service Leave***

Annual and long service leave, including applicable on-costs, that are not expected to be wholly settled before twelve months after the end of the reporting period when the employees render the related service, are measured at the present value. The present value is determined based on the estimated future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to the future wage and salary levels, experience of employee departures and periods of service. At the end of each reporting period, the present value of future annual leave and long service leave payments is estimated using market yields on Commonwealth Government bonds with terms to maturity that match, as closely as possible, the estimated future cash flows.

Annual Leave liabilities have been estimated on the assumption they will be wholly settled within three years. The rate used at 30 June 2023 to estimate the present value of future payments for Annual Leave is 98.2% (101.8% at 30 June 2022).

The Long Service Leave liability is estimated with reference to the minimum period of qualifying service. For employees with less than the required minimum period of 7 years of qualifying service, the probability that employees will reach the required minimum period has been taken into account in estimating the provision for Long Service Leave and applicable on-costs. The rate used at 30 June 2023 to estimate the present value of future payments for Long Service Leave is 93% (95.3% at 30 June 2022).

The provision for Annual Leave and Long Services Leave includes estimated on-costs. On-costs only become payable if the employee takes annual and long service leave while in-service. The probability that employees will take annual and long service leave while in-service has been taken into account in estimating the liability for on-costs.

**CEMETERIES AND CREMATORIA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 14. EMPLOYEE BENEFITS - CONTINUED**

Significant judgements have been applied in estimating the annual and long service leave liabilities, given that Cemeteries and Crematoria Authority uses the Whole-of-Government present value, probability and on-cost factors. These factors are issued by ACT Treasury and apply to all ACT Government Agencies. ACT Treasury organises an actuarial review to be undertaken every three years by the Australian Government Actuary to estimate each of these factors. The latest assessment was undertaken in December 2021, with the next review expected to be undertaken by late 2024.

Annual Leave and Long Service Leave liabilities are classified as current liabilities in the Balance Sheet where there are no unconditional rights to defer the settlement of the liability for at least 12 months. Conditional Long Service Leave liabilities are classified as non-current because the Authority has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

***Superannuation Liability***

The employer superannuation benefits payable to the Authority employees, who are members of the defined benefit CSS or PSS Schemes, are recognised in the financial statements of the Superannuation Provision Account.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current Employee Benefits</b>		
Annual Leave	223	232
Long Service Leave	309	318
Accrued Salaries <sup>a</sup>	84	38
Other Benefits	5	5
<b>Total Current Employee Benefits</b>	<b>621</b>	<b>593</b>
<b>Non-Current Employee Benefits</b>		
Long Service Leave <sup>a</sup>	25	18
<b>Total Non-Current Employee Benefits</b>	<b>25</b>	<b>18</b>
<b>Total Employee Benefits</b>	<b>646</b>	<b>611</b>
<b>Estimate of When Leave is Payable</b>		
<b>Estimated Amount Payable within 12 Months</b>		
Annual Leave	121	122
Long Service Leave	17	62
Accrued Salaries	84	38
Other Benefits	5	5
<b>Total Employee Benefits Payable within 12 Months</b>	<b>227</b>	<b>227</b>

a. The increase is mainly due to accrual of an expected 2022-23 backpay under a new Enterprise Agreement.

**CEMETERIES AND CREMATORIA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 14. EMPLOYEE BENEFITS - CONTINUED**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Estimated Amount Payable after 12 Months		
Annual Leave	102	110
Long Service Leave	317	274
<b>Total Employee Benefits Payable after 12 Months</b>	<b>419</b>	<b>384</b>
<b>Total Employee Benefits</b>	<b>646</b>	<b>611</b>

As at 30 June 2023 Cemeteries and Crematoria Authority employed 19 full time equivalent (FTE) staff. There were 19 FTE staff at 30 June 2022.

**NOTE 15. FINANCIAL INSTRUMENTS**

**Material Accounting Policies Relating to Financial Instruments**

Details of the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability are disclosed in the note to which they relate. In addition to these policies, the following are also accounting policies relating to financial assets and liabilities.

The Authority's financial assets are subsequently measured at amortised cost on the basis of both:

- (a) the business model for managing the financial assets; and
- (b) the contractual cash flow characteristics of the financial assets.

Financial liabilities are measured at amortised cost.

**Interest Rate Risk**

Interest Rate Risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

A great portion of financial assets are held in floating interest rate arrangements which means that the Authority is exposed to movements in interest receivable. Interest rates have increased during the financial year end 30 June 2023 and it has resulted in an increase in the amount of interest received.

Interest rate risk for these assets is managed by only investing in floating interest rate investments that are low risk. The borrowings under Carbon Neutral Government Fund are interest free. All other financial liabilities are non-interest bearing, therefore the Authority is not exposed to movements in interest payable.

There have been no changes in risk exposure or processes for managing risk since the last reporting period.

*Sensitivity Analysis*

A sensitivity analysis has not been undertaken for the interest rate risk of the Authority as it has been determined that the possible impact on income and expenses or total equity from fluctuations in interest rates is immaterial.

**CEMETERIES AND CREMATORIA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 15. FINANCIAL INSTRUMENTS – CONTINUED**

**Credit Risk**

Credit Risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Authority's credit risk is limited to the amount of the financial assets it holds net of any allowance for impairment. The Authority expects to collect all financial assets that are not past due or impaired.

Credit risk is managed by the Authority for cash at bank by holding a bank balance with the ACT Government's bank, Westpac Banking Corporation (Westpac). Westpac holds a AA issuer credit rating with Standard and Poors. A "AA" credit rating is defined as a 'very strong capacity to meet financial commitments'.

The Authority also holds cash with the Public Trustee and Guardian for the ACT. There is insignificant credit risk for funds held by the ACT Public Trustee and Guardian. The Authority manages credit risk by investing only with Approved Deposit Funds (funds that are regulated by the Australian Prudential Regulation Authority (APRA)).

There have been no significant changes in credit risk exposure or processes for managing credit risk since the last reporting period.

**Liquidity Risk**

Liquidity Risk is the risk that the Authority will encounter difficulties in meeting obligations associated with its liabilities that are settled by delivering cash or another financial asset. The Authority ensures that it has a sufficient amount of current financial assets to meet its current financial liabilities.

The Authority has expanded its business to include a crematorium. This is expected to improve its liquidity in the future.

**Fair Value of Financial Assets and Financial Liabilities**

The carrying amount of Financial Assets and Financial Liabilities at the end of the reporting period are:

	<b>Carrying Amount 2023 \$'000</b>	<b>Carrying Amount 2022 \$'000</b>
<b>Financial Assets</b>		
Cash	10,185	8,214
Receivables	45	106
<b>Total Financial Assets</b>	<b>10,230</b>	<b>8,320</b>
<b>Financial Liabilities</b>		
Payables	10,692	9,664
Borrowings	17	21
<b>Total Financial Liabilities</b>	<b>10,709</b>	<b>9,685</b>

The carrying amount of financial assets and financial liabilities approximate their fair value.

Non-Interest Bearing amounts reflected as Receivables is calculated by taking the total Receivable amounts less Goods and Services Tax Receivable and Accrued Receivables.

**CEMETERIES AND CREMATORIA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 15. FINANCIAL INSTRUMENTS – CONTINUED**

The following tables set out the Authority's maturity analysis for the Financial Liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period. All amounts appearing in the following maturity analysis are shown on an undiscounted cash flow basis.

		Weighted Average Effective Interest Rate %	Non-Interest Bearing \$'000	Total \$'000
	Note No.			
<b>At 30 June 2023</b>				
<b>Financial Liabilities</b>				
Payables	13		10,692	10,692
Borrowings			17	17
<b>Total Financial Liabilities</b>			<b>10,709</b>	<b>10,709</b>
<b>At 30 June 2022</b>				
<b>Financial Liabilities</b>				
Payables	13		9,664	9,664
Borrowings			21	21
<b>Total Financial Liabilities</b>			<b>9,685</b>	<b>9,685</b>

Non-Interest Bearing amounts reflected as Payables are calculated by taking the total Payable amounts less Goods and Services Tax Payable and Accrued Payables

**NOTE 16. COMMITMENTS**

**Description and Material Accounting Policies Relating to Commitments**

Commitments are a firm intention, but not a present obligation, at the end of the reporting period to incur future expenditure. As such, commitments do not constitute a liability. Commitments usually arise from contracts, but can arise from other things like placing an order.

Commitments are measured at their value and are GST inclusive.

**Other Commitments**

Other commitments contracted at reporting date but not recognised as liabilities, are payable as follows:

	2023 \$'000	2022 \$'000
Within one year <sup>a</sup>	39	1
<b>Total Other Commitments</b>	<b>39</b>	<b>1</b>

a. A commitment was made in June 2023 for the cleaning services at Gungahlin and Woden Cemeteries.

**CEMETERIES AND CREMATORIA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 17. RELATED PARTY DISCLOSURES**

**Description and Material Accounting Policies Relating to Related Party Disclosures**

A related party is a person who controls or has significant influence over the reporting entity, or is a member of the Key Management Personnel (KMP) of the reporting entity or its parent entity, and includes their close family members and entities in which the KMP and/or their close family members individually or jointly have controlling interests.

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the Authority, directly or indirectly.

KMP of the Authority are the Portfolio Minister, the Authority Board Members and the Chief Executive Officer. The Head of Service and the ACT Executive comprising the Cabinet Ministers are KMP of the ACT Government and therefore related parties of the Authority.

This note does not include typical citizen transactions between the KMP and the Authority that occur on terms and conditions no different to those applying to the general public.

**(A) CONTROLLING ENTITY**

The Authority is an ACT Government controlled entity.

**(B) KEY MANAGEMENT PERSONNEL**

**Compensation of Key Management Personnel**

Compensation of the Portfolio Minister, is disclosed in the note on related party disclosures included in the ACT Executive's Financial Statements for the year ended 30 June 2023.

Compensation by the Authority to other KMP is set out below.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Short-term employee benefits <sup>a</sup>	219	175
Post employment benefits	24	25
Other long-term benefits	5	6
Termination benefits	-	73
Board member fees	83	86
<b>Total Compensation to KMP</b>	<b>331</b>	<b>365</b>

a. The higher short-term employee benefits is mainly due to the CEO position which was vacant for a period of time in the 2021-22 financial year.

**(C) TRANSACTIONS WITH OTHER ACT GOVERNMENT CONTROLLED ENTITIES**

The Authority has entered into transactions with other ACT Government entities in 2023 and 2022 consistent with day-to-day business operations provided under varying terms and conditions. The notes to the Financial Statements provide the details of transactions with other ACT Government Entities. Below is a summary of the material transactions with other ACT Government Entities.

*Expenses*

a. Supplies and Services (Note 7) – in 2022-23, the Authority paid \$0.093m to the ACT Audit Office for audit services, paid TCCSD \$0.450m for Capital Works and \$0.115m for financial services, paid \$0.051m to Icon Water, Roads ACT and Environment, Planning and Sustainable Development Directorate for the supply of water, pays insurance premiums to the ACT Insurance Authority, pays ACT Property Group for building maintenance and pays Shared Services for IT services and equipment.

**CEMETERIES AND CREMATORIA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

## **NOTE 18. BUDGETARY REPORTING**

### **Significant Accounting Judgements and Estimates – Budgetary Reporting**

Significant judgements have been applied in determining what variances are considered 'major variances'. Variances are considered major if both of the following criteria are met:

- The line item is a significant line item: where either the line item actual amount accounts for more than 10% of the relevant associated actual category amount (Income, Expenses, Assets, Liabilities and Equity totals) or more than 10% of the sub-element (e.g. Current Liabilities and Receipts from Operating Activities totals) of the financial statements; and
- the variances (original budget to actual) are greater than plus (+) or minus (-) 10% and \$500,000 of the budget for the financial statement line item.

Original Budget refers to the amounts presented to the Legislative Assembly in the original budgeted financial statements in respect of the reporting period Budget Statements. These amounts have not been adjusted to reflect supplementary appropriation or appropriation instruments.

	Variance Explanation	Actual 2023 \$'000	Original Budget 2023 \$'000	Variance \$'000	Variance %
<b>Operating Statement Line Items</b>					
Sales of Goods and Services from Contracts with Customers	1	5,785	5,134	651	13%
Increase in the Asset Revaluation Surplus	2	1,910	-	1,910	#

#### **Variance Explanations**

1. The increase is mainly due to the opening of Eternity Memorial Garden at Woden Cemetery with higher than budgeted sales revenue.
2. The higher than budgeted result is mainly due to revaluation increases of the roads at Woden and Gungahlin Cemeteries.

#### **Balance Sheet Line Items**

Current Cash	1	10,185	6,729	3,456	51%
Property, Plant and Equipment	2	8,690	6,849	1,817	27%
Capital Works In Progress	3	450	1,500	(1,050)	(70%)

#### **Variance Explanations**

1. The higher cash and investments balance is mainly due to higher sales of goods and services to customers, interest revenue and delay in construction of the Memorial Hall and Condolence lounge at Gungahlin Memorial Park.
2. The higher than budgeted result is mainly due to revaluation increases of the roads at Woden and Gungahlin Cemeteries.
3. The lower Capital Works in Progress is mainly due to delay in construction of the Memorial Hall and Condolence lounge at Gungahlin Memorial Park.

**Statement of Changes in Equity** - these line items are covered in other financial statements.

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## Capital Works

Table 46: Property, Plant and Equipment expenditure 2022-23

Description	Actual (\$)	Budget (\$)	Variance (\$)
Infrastructure Assets	-	63,000	63,000
Plant & Equipment	183,071	295,000	111,929
Motor Vehicles	46,709	-	(46,709)
<b>Total</b>	<b>229,780</b>	<b>358,000</b>	<b>128,220</b>

## Asset Management

The Authority is a self-funding statutory authority managing all cemeteries related infrastructure to provide an efficient and reliable service to the community.

A full review was conducted in 2022-23 and is currently being implemented on an asset class by asset class basis.

The Authority's Strategic Asset Management Plan (SAMP) plans maintenance for all assets. The purpose of the SAMP is to provide a reference document for the financial and operational asset management of all asset groups owned and managed by the Authority. The SAMP includes asset data and financial information as at 30 June 2023.

The SAMP outlines current and expected levels of service for the delivery of maintenance services and capital works programs in detail. The expected levels of service are determined by a thorough analysis of service objectives, future demand, feedback from community consultations, ACT's population trends and the availability of resources.

The revised SAMP will report on a detailed lifecycle management of all critical asset groups and the budget required to maintain the Authority's assets at an operational level that meets relevant Australian national standards throughout their useful life.

## Asset Portfolio

The Authority's portfolio comprises significant landscaping, cemetery and crematorium assets including administrative and operational buildings.

### Cemeteries and crematoria under management

- > Gungahlin Cemetery, Mitchell
- > Woden Cemetery, Phillip
- > Woden Mausoleum, Phillip
- > Hall Cemetery, Hall

- > Gungahlin Crematorium, Mitchell

#### Major Assets Gungahlin

- > Burial Areas and associated landscaping
- > Crematorium
- > Office Complex
- > Stringybark Meeting Room
- > Public Toilets
- > Works Depots
- > Sheds and Carports
- > Roads and Paving
- > Fences
- > Dams
- > Memorial Walls and Outdoor Chapel
- > Irrigation System for turf and landscaping including Dam and Bore Pumping Systems

#### Major assets Woden

- > Burial Areas and associated landscaping
- > Caretaker's Cottage
- > Waiting Rooms and Public Toilets
- > Works Depots
- > Sheds and Carports
- > Roads and Paving
- > Fences
- > Mausoleum
- > Landscaping and Irrigation

#### Major Assets Hall

- > Burial Areas, and associated landscaping and fencing

## Asset Management

- > Total value of Authority managed assets as at 30 June 2023: \$11.94m (million).
- > Summary of major assets: Inventories \$2.77m, Buildings \$2.99m, Infrastructure assets \$3.72m, plant and equipment \$1.50m.
- > Summary of asset audits conducted during 2022-23: Independent condition assessment of all asset classes completed.

### ***Assets added to Authority's asset register during 2022-23***

- > Motor Vehicle, Security Cameras (Woden), Ground Protection Mats, Mini Excavator, Spray Tank, Grave Trailer (x 2), Tractor, Debris Loader & Trailer (4 tonnes).

### ***Assets removed from Authority's asset register during 2022-23***

- > Motor Vehicle, Security Cameras, Profihopper, Tractor, Trailer.

### ***Assets maintenance and upgrades for 2022-23***

- > Value of repairs and maintenance to buildings \$30,000 (1% of asset replacement value).
- > Value of repairs and maintenance to Plant & Equipment \$84,000 (6.4% of asset replacement value).
- > Value of repairs and maintenance to infrastructure assets \$157,000 (6.2% of asset replacement value).

## Government Contracting

The Authority is self-funded and manages its own procurement and contracting activities in-house with assistance from TCCS as required. It maintains a preferred supplier register and uses a number of small contractors for specialist services that inhouse staff cannot provide. A full break down of expenditure is available in the financial statements.

The Authority had 2 supplier contracts listed on the ACT Government Contracts Register which records ACT Government Contracts with suppliers of goods, services and works with a value of \$25,000 or more.

The Authority has no information to report on the Aboriginal and Torres Strait Islander Procurement Policy (ATSIPP) three performance measures. The Authority received no exemptions in 2022-23 from the secure local jobs code requirements under Section 22G of the Government Procurement Act 2001.

## INDEPENDENT LIMITED ASSURANCE REPORT

### To the Members of the ACT Legislative Assembly

#### Conclusion

I have undertaken a limited assurance engagement on the statement of performance of the Cemeteries and Crematoria Authority (Authority) for the year ended 30 June 2023.

Based on the procedures performed and evidence obtained, nothing has come to my attention to indicate the results of the accountability indicators reported in the statement of performance for the year ended 30 June 2023 are not in agreement with the Authority's records or do not fairly reflect, in all material respects, the performance of the Authority, in accordance with the *Financial Management Act 1996*.

#### Basis for conclusion

I have conducted the engagement in accordance with the Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. My responsibilities under the standard and legislation are described in the 'Auditor-General's responsibilities' section of this report.

I have complied with the independence and other relevant ethical requirements relating to assurance engagements, and the ACT Audit Office applies Australian Auditing Standard ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*.

I believe that sufficient and appropriate evidence was obtained to provide a basis for my conclusion.

#### Authority's responsibilities for the statement of performance

The Governing Board of the Authority is responsible for:

- preparing and fairly presenting the statement of performance in accordance with the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*; and
- determining the internal controls necessary for the preparation and fair presentation of the statement of performance so that the results of accountability indicators and accompanying information are free from material misstatements, whether due to error or fraud.

#### Auditor-General's responsibilities

Under the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*, the Auditor-General is responsible for issuing a limited assurance report on the statement of performance of the Authority.

My objective is to provide limited assurance on whether anything has come to my attention that indicates the results of the accountability indicators reported in the statement of performance are not in agreement with the Authority's records or do not fairly reflect, in all material respects, the performance of the Authority, in accordance with the *Financial Management Act 1996*.

In a limited assurance engagement, I perform procedures such as making inquiries with representatives of the Authority, performing analytical review procedures and examining selected evidence supporting the results of accountability indicators. The procedures used depend on my judgement, including the assessment of the risks of material misstatement of the results reported for the accountability indicators.

**Limitations on the scope**

The procedures performed in a limited assurance engagement are less in extent than those required in a reasonable assurance engagement and consequently the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, I do not express a reasonable assurance opinion on the statement of performance.

This limited assurance engagement does not provide assurance on the:

- relevance or appropriateness of the accountability indicators reported in the statement of performance or the related performance targets;
- accuracy of explanations provided for variations between actual and targeted performance due to the often subjective nature of such explanations; or
- adequacy of controls implemented by the Authority.



Ajay Sharma  
Assistant Auditor-General, Financial Audit  
22 September 2023

**Cemeteries and Crematoria Authority**  
**Statement of Performance**  
**For the Year Ended 30 June 2023**

**Statement of Responsibility**

In my opinion, the Statement of Performance is in agreement with the records of the Cemeteries and Crematoria Authority (the Authority) and fairly reflects the service performance of the Authority for the year ended 30 June 2023 and also fairly reflects the judgements exercised in preparing it.

A handwritten signature in black ink, appearing to read 'Neale Guthrie', with a stylized flourish at the end.

Neale Guthrie  
Chair of the Board  
1 August 2023

**Cemeteries and Crematoria Authority**  
**Statement of Performance**  
**For the Year Ended 30 June 2023**

**Key Performance Indicators**

	2022-23 Targets	2022-23 Actual Result	% Variance from Original Target	Explanation of Material Variances > = 5%
a. Percentage of deaths in the ACT that inter human remains at an Authority Cemetery <sup>1</sup>	35%	38%	8%	Canberra Memorial Parks increased ash interment options at Woden resulting in increased interments.
b. Share of cremations performed in the ACT <sup>2</sup>	20%	26%	30%	Canberra Memorial Parks received increased number of cremations due to the availability of the viewing room.
c. Level of client and stakeholder satisfaction with Canberra Cemeteries <sup>3</sup>	98%	100%	2%	-
d. Level of matters raised by unsatisfied clients and stakeholders resolved by Canberra Cemeteries operations <sup>4</sup>	100%	100%	0%	-
e. Average number of years of supply of interment spaces for major denominational groups <sup>5</sup>	4	4	0%	-

The above accountability indicators were reviewed by the ACT Audit Office in accordance with the *Financial Management Act 1996*.

**Explanation of Accountability Indicators**

a) Death statistics are sourced from the Australian Bureau of Statistics 3302.0 - Deaths, Australia (latest available released 29/09/2022). This data reflects statistics to 31 December 2021. The number of clients choosing to do business with the Authority was 837. This is the actual numbers of burials and cremations for the year ending 30 June 2023. This represents 38 percent of the estimated number of deaths.

**Cemeteries and Crematoria Authority**  
**Statement of Performance**  
**For the Year Ended 30 June 2023**

b) Death statistics are sourced from the Australian Bureau of Statistics 3302.0 - Deaths, Australia (latest available released 29/09/2022). Cremations conducted by CMP were 433 in 2022-23 representing 26% of total cremations (Total deaths less burials)

c) Client Satisfaction. The post burial survey is sent to families following each burial as part of a pack of other documents, on an opt-out basis. When completing an Application for Burial, the applicant is asked tick the box if they “do not wish to receive a post service survey”. Surveys are not sent to those who do not wish to take part. Surveys comprise five questions covering customer service, burial arrangements and cemetery presentation in a five-tier rating format. Only neutral and above are counted towards satisfaction result.

Stakeholder Satisfaction. Is obtained by conducting a survey of funeral directors who regularly access services the Authority provides. The survey asks them to provide an overall assessment of the Authority’s performance as a percentage. An average score is calculated from the responses. This year four funeral directors provided a response with all being neutral and above.

Client satisfaction and stakeholder satisfaction are averaged, the result for the reporting period was 100 percent.

d) Details are extracted from customer service database on matters raised by clients and other stakeholders which are used to manage and track the progress of action taken to remedy issues. This includes follow up with complainants where required. In 2022-23 all matters raised were resolved.

e) Number of years of supply of interment space is calculated using inventory data and other information, such as survey plans on future allotments, compared to the expected number of burials per denomination. The Authority’s Board believes that the target number of years (4) provides adequate time for planning and installation of new areas as required. Falling below this target level increases the risk that there will be insufficient spaces in the future.

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# Glossary

Acronym/Abbreviation	Term
<b>ACTIA</b>	ACT Insurance Authority
<b>ACTPG</b>	ACT Property Group
<b>ACTPS</b>	ACT Public Sector
<b>AON</b>	Aon Risk Services Australia
<b>ARins</b>	Attraction and Retention Incentives
<b>ASBA</b>	Australian School-Based Apprenticeships
<b>ATO</b>	Australian Taxation Office
<b>AVBC</b>	Australasian Veterinary Boards Council
<b>AWAs</b>	Australian Workplace Agreements
<b>BA</b>	Building Applications
<b>CDS</b>	Container Deposit Scheme
<b>CMTEDD</b>	Chief Ministers, Treasury and Economic Development Directorate
<b>CRA</b>	City Renewal Authority
<b>DA</b>	Development Applications
<b>DDTS</b>	Digital, Data and Technology Solutions
<b>EBAs</b>	Enterprise Bargaining Agreements
<b>ED</b>	Education Directorate
<b>EPSDD</b>	Environment, Planning and Sustainable Development Directorate
<b>FOGO</b>	Food organics and garden organics
<b>GNSS</b>	Global Navigation Satellite Systems
<b>GSO</b>	Government Solicitor Office
<b>HD</b>	Health Directorate
<b>HRC</b>	Human Rights Commission
<b>HSR</b>	Health and Safety Representatives
<b>JACS</b>	Justice and Community Safety Directorate
<b>LAAN</b>	Land Access and Activity Notices
<b>LTIFRs</b>	Lost-time injury frequency rates
<b>MPC</b>	Major Projects Canberra
<b>RAP</b>	Reconciliation Action Plan
<b>RED</b>	Respect, Equity and Diversity Framework
<b>SAMP</b>	Strategic Asset Management Plan
<b>SERBIR</b>	Senior Executive Responsible for Business Integrity Risk

Acronym/Abbreviation	Term
<b>SS</b>	Shared Services
<b>SLA</b>	Suburban Land Agency
<b>TCCS</b>	Transport Canberra and City Services Directorate
<b>TCO</b>	Transport Canberra Operations
<b>TRO</b>	Territory Records Office
<b>WHO HEAT</b>	World Health Organisation Health Economic Assessment Tool
<b>WHS</b>	Work Health and Safety