

# Department of Transport

## Strategic Plan 2021-2025







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Victoria's transport network is experiencing its biggest transformation in more than a decade, with significant reforms and enormous, state-shaping infrastructure projects

## Message from the Secretary

Just over two years ago, the Victorian Government created a new, integrated Department of Transport, bringing together our expertise and experience across all transport modes to deliver and operate a transport system that better reflects the way people and freight move around our state.

Transport is a critical enabler for the wellbeing and prosperity of our community and I couldn't be more proud of how the department has worked together to deliver great outcomes for Victorians.

We have progressed significant reforms and enormous, state-shaping infrastructure projects that have been committed by government. We have helped Victoria recover from bushfires and storms and kept people and freight moving safely and reliably during the global COVID-19 pandemic. And we have continued our sustained effort to provide the best transport experience for Victorians every day.

Our Strategic Plan 2021-25 incorporates this hard work and planning and brings together the department's purpose, direction and key initiatives for the next four years.

This plan describes why transport is so important, what we are trying to achieve for Victorians, as well as some of the challenges we are facing and how we plan to overcome these.

Our challenges range from increasing volume and complexity of journeys to technological change and the need to transition our transport network to respond to climate change.

To meet these challenges, it is vital that we focus on innovation and reform and on building a system that is integrated, smart, sustainable and reliable.

We need to continue to do this at all levels, from state-wide planning to individual projects and initiatives throughout metropolitan Melbourne and regional Victoria.

I would like to thank staff for their hard work and dedication in bringing this plan to life. I am confident that our Strategic Plan reflects a strong approach and a positive path forward to delivering simple, safe, connected journeys that will enrich the lives of Victorians into the future.



**Paul Younis**  
Secretary, Department of Transport

**It is vital that we focus on innovation and reform and on building a system that is integrated, smart, sustainable and reliable**









## About this Strategic Plan

This Strategic Plan brings together the Department of Transport (the department's) purpose, direction and key initiatives, consistent with Government objectives, priorities and budget decisions.

It describes actions the department will take over the medium term, and feeds into a range of internal planning activities. It also informs the corporate plans of transport portfolio agencies, to support an integrated and sustainable transport system.

The Strategic Plan meets the corporate plan requirements in the *Transport Integration Act 2010* (the TIA) and the Resource Management Framework, Department of Treasury and Finance.

The Strategic Plan is reviewed each year to take account of changes in the department's operating environment.

A summary of the Strategic Plan 2021-25 has been prepared to support easy reference to key information about the department.





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Becoming an integrated department has brought together areas of deep expertise



# About the Department of Transport

## Who we are

The Department of Transport plans, builds and operates an integrated, sustainable and safe transport system for Victorians.

The department's integration, deep expertise and knowledge allows it to implement network-wide solutions to Victoria's biggest transport challenges.

The department includes the public-facing brands of Public Transport Victoria, VicRoads, Road Safety Victoria, Regional Roads Victoria, Freight Victoria, and Active Transport Victoria.

The department also has two administrative offices:

- Major Transport Infrastructure Authority (MTIA)
- Suburban Rail Loop Authority (SRLA).

The department serves three Ministers and one Parliamentary Secretary:

- **The Hon. Jacinta Allan,**  
Minister for Transport Infrastructure  
Minister for the Suburban Rail Loop
- **The Hon. Ben Carroll**  
Minister for Public Transport  
Minister for Roads and Road Safety
- **The Hon. Melissa Horne,**  
Minister for Ports and Freight  
Minister for Fishing and Boating
- **Ms Vicki Ward MP,**  
Parliamentary Secretary  
for Transport

Secretary **Paul Younis** is head of the department.



Hon. Jacinta Allan MP



Hon. Ben Carroll MP



Hon. Melissa Horne MP

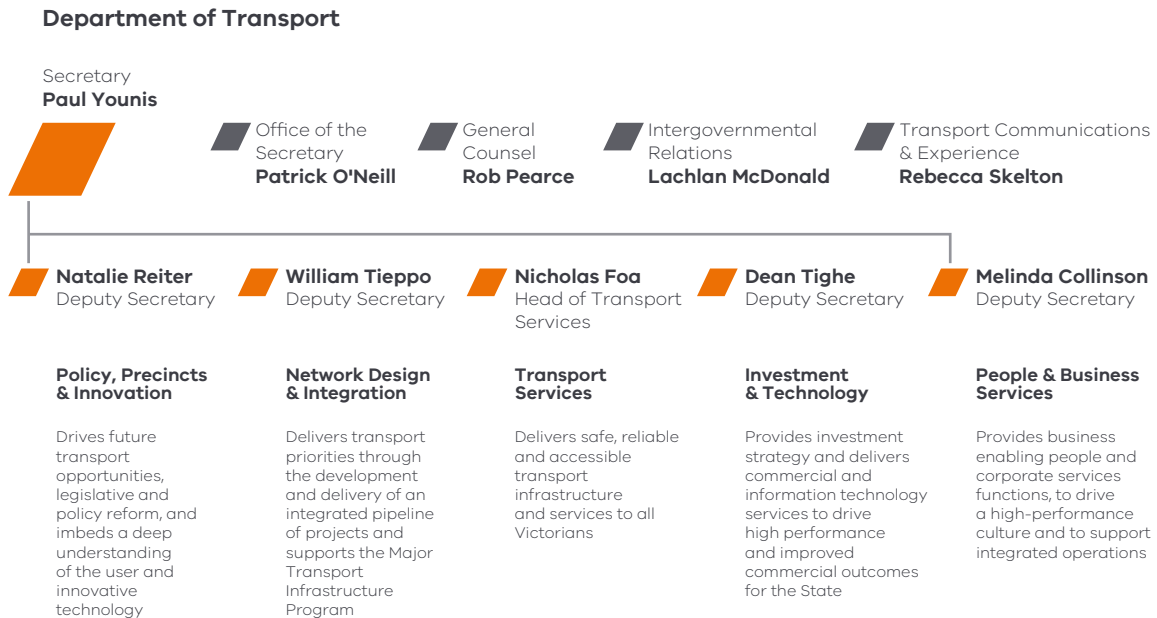


Vicki Ward MP

The department implements network-wide solutions to Victoria's biggest transport challenges



Together, the department is more than 6,000 transport professionals working across metropolitan Melbourne and regional Victoria. The department has the following structure:



The department's structure helps to manage a wide variety of activities in accordance with Victorian and other legislation. This includes policy, planning, legislation, advising government, project development and delivery, operations, network approvals, standards and guidelines, major contracts, and maintenance, for example, with the support of enabling functions.

To do this, we will continue to support a diverse workforce. For example, the department has:

- Commenced a new transport sector-wide Women in Transport Strategy 2021-2024, with a Steering Committee chaired by the Parliamentary Secretary, Transport.
- Developed the Transport Portfolio Aboriginal Self-Determination Plan 2020-2023, with portfolio wide representatives, which includes awarding 21 scholarships to Aboriginal students in either secondary school, TAFE and university.

- Implemented a range of actions to support an inclusive workplace culture as part of our Inclusion and Diversity Strategy, including an Accessibility Action Plan, all-inclusive Employee Resource Group, and a working group for people with disability and allies called DoTABILITY. The transport portfolio young professionals' network, Inbound, connects close to 300 young people across the portfolio.



## Why transport matters

The department plans, builds, operates and maintains an integrated, sustainable, and safe transport system to meet the needs of people and freight that travel on it, both now and into the future.

Transport is the vital link between people, goods and daily life. The department helps nearly every Victorian, nearly every day, by connecting Victorians to family and friends, jobs, education, social lives, recreation, and to goods and services from Victoria and around the world. Not just on land, but on water too.

The department's work supports something much bigger than transport. A great transport system is an enabler for great communities, a great economy and, ultimately, a great future for Victoria.

- Great transport means people can live where they choose while having access to services, social connections and employment.
- It means Victoria's road and public transport networks shape and connect its public spaces and support the development of new precincts and vital community hubs.

- It means people are connected to the world through a network of international ports and reliable, efficient freight and logistics services, keeping shelves stocked for Victorian families and generating opportunities for thousands of businesses, factories and farms all over the state.
- It means Victorians can support their health and wellbeing and minimise their impact on the environment through safe, sustainable transport choices.
- And it means a boost for economic recovery in Victoria, with the government's record investment in transport creating more jobs for Victorians.

## What we do

The department is:

- Delivering \$80 billion of transport infrastructure investment
- Managing \$100 billion of assets
- Managing \$16 billion in expenditure annually
- Maintaining 23,000km of road network each year
- Renewing and issuing 900,000 driver licences a year
- Scheduling 260 million kilometres of bus, train/coach and tram services each year
- Handling 110 million tonnes of trade through our ports each year.

The department works together with its two administrative offices, MTIA and SRLA, to plan and deliver major transport projects. This includes ensuring major construction activities and disruptions are coordinated across the transport network to keep people moving through major works periods.

- MTIA oversees Victoria's Big Build and is made up of five project teams: Level Crossing Removal Project, North East Link Project, West Gate Tunnel Project, Major Road Projects Victoria and Rail Projects Victoria.
- Suburban Rail Loop is a city-shaping project that will transform Victoria's public transport system. The 90-kilometre loop will link every major rail line from the Frankston line to the Werribee line, via the airport, better connecting Victorians to jobs, retail, education, health services and each other.

The department is fundamental to Victoria's future in designing, building, operating and maintaining a transport system that can not only cope with the challenges it faces in the short- and long-term, but also enrich the lives of Victorians and contribute to economic and social prosperity. Transport infrastructure is expensive and takes time to build, so an important part of the department's role in Victoria's future is to innovate to use what it already has more efficiently.



## Who we work with

The department works closely with organisations who share responsibility for parts of the transport system, and a wide variety of stakeholders who make up the transport sector. This is crucial to delivering transport outcomes for Victoria.

Transport portfolio partners and agencies include:

- Chief Investigator Transport Safety
- Commercial Passenger Vehicles Victoria
- Development Victoria
- North East Link State Tolling Corporation
- Port of Hastings Development Authority
- Ports Victoria
- Transport Accident Commission
- Transport Safety Victoria
- Victorian Fisheries Authority
- VicTrack
- V/Line.

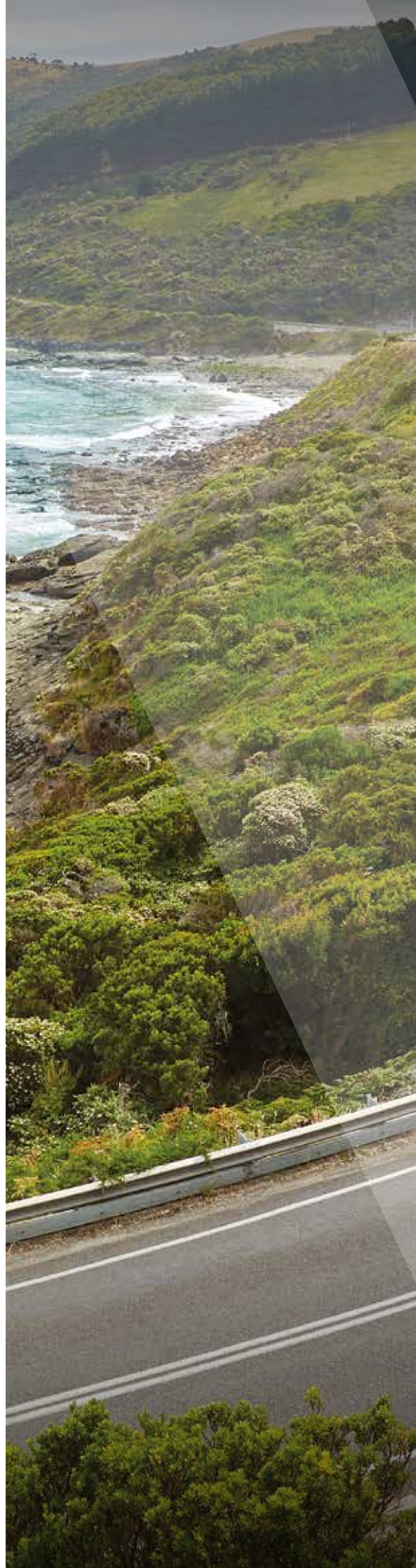
Transport operators include:

- Metro Trains Melbourne
- Yarra Trams
- EastLink
- CityLink
- Peninsula Link
- SkyBus
- Bus operators
- Port operators.

## Every day we engage

The department also engages with organisations, such as the National Heavy Vehicle Regulator, the Office of the National Rail Safety Regulator, the Australian Maritime Safety Authority and the Australian Rail Track Corporation.

To help achieve the vision of simple, safe, connected journeys, the department works with industry and industry bodies, unions, the Victorian public sector, local, state and territory governments and the Commonwealth, international transport agencies, education providers, academia and research partners, user advocacy groups, and other representative groups. The department also has a far-reaching program to connect to the community.







The department works closely with organisations who share responsibility for each part of the transport system







The department's purpose is to deliver simple, safe, connected journeys

# Vision, purpose and Cultural Values

## Vision

**An integrated and sustainable transport system that contributes to an inclusive, prosperous and environmentally responsible state.**

The TIA is Victoria's main transport statute. It brings together the transport portfolio under one framework to achieve the vision of *an integrated and sustainable transport system that contributes to an inclusive, prosperous and environmentally responsible state*. The department ensures that it works together with transport agencies and operators towards this vision.

## Purpose

**Simple, safe, connected journeys**

The department's purpose is to deliver *simple, safe, connected journeys*. This is a short, simple phrase to guide and unite the department. It reminds us to:

- Focus on helping people and freight get where they need to go, rather than focusing on the mode of transport taken.

- Keep safety front and centre for all people using and operating transport, whether they are on roads, public transport, or in worksites.
- Work together to keep Victorians connected to their jobs, education and each other.

By doing this, the department contributes to Victorians living full, healthy and engaged lives in a prosperous, connected, and liveable state.

## Cultural Values

In addition to the Victorian Public Sector Values, the department has Cultural Values to guide how staff work and enable the delivery of a simple, safe, connected transport network for everyone in Victoria.

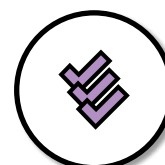
The Cultural Values support the department's staff to speak up, solve challenges and use shared language to work together.



Act with integrity



Care about our impact



Take accountability



Respect each other



Empower our people





With increases in supply and demand people are producing and consuming more, increasing our reliance on freight.



## Challenges

### **Our population is projected to keep growing at a fast pace**

Victoria's population growth means an increase in the number of trips on the transport network. More people produce and consume more things, so freight trips increase too.

While restrictions on immigration and movements during the COVID-19 pandemic have affected the overall population in Victoria, high levels of growth are predicted to return, meaning only a temporary delay in population growth of around one to two years.

High predicted population growth is paralleled by economic, environmental and demographic changes across the state. As a result, the department is planning a transport system that can connect future areas of population growth to jobs and services.

Victoria's transport system needs to keep pace with this increased demand to make sure people and freight can get where they need to be in a timely, efficient and productive way. Providing Victorians with real-time information will allow them to make informed choices about how and when they travel, helping spread the load across the network.

A growing population and increasing urban density will drive the need to maximise the volume of freight moving on high-capacity road and rail links between vital logistics places. At the same time, the department will manage increasing volumes of deliveries within growing urban areas.

Responding to these changes will require not only unprecedented investment in the network, but also more innovative ways of getting more out of existing assets and using policy levers and technology to manage demand and improve mobility.



## How we work and live is rapidly changing

People are living and working differently, and this directly affects the trips people make. The economic landscape is changing in Victoria, with a move from large-scale manufacturing to specialist production and service-orientated industries. Together with the availability of new services enabled by mobile technology, these changes result in a shifting landscape of travel patterns and behaviours and expectations around information to support these.

The COVID-19 pandemic has affected how people work, and the department expects more people to choose to work from home. Working from home means time previously spent commuting could instead be spent working, or better balancing work and home commitments.

For freight, there are also likely to be sustained changes to logistics and distribution models as more people continue to purchase goods and services online. The department is working with local governments and developing new, contemporary regulatory responses, as well as supporting lower impact, smaller and more efficient electric vehicles.

Making changes to existing networks and services through innovative approaches will be important to support new travel patterns, more local working and different freight movements.

## Transport is undergoing a technology-led revolution

New technologies are being combined in new ways to deliver new transport services, which presents challenges but also opportunities for innovation.

The department is supporting the Victorian Government's open data direction, transforming systems and procedures to allow for more important data to be shared with the market. This information will allow the development of more services, making Victoria's transport system simpler, safer and more connected.

The rapid uptake of rideshare services shows how new services based on a technology platform can quickly change how people travel. The department is planning a flexible transport system that is open to new transport options beyond those traditionally provided by government. The department is exploring new ways to work with technology-based third parties to deliver innovative, real-time transport services via customers' preferred platforms.

The department is also identifying and investing in technologies that can improve how people and freight move around the network. These include intelligent transport systems to manage intersections and help keep traffic moving, connected and autonomous vehicles, and more flexible, on-demand services. The department is preparing for a more automated freight supply chain and emerging tools that will make trucks and trains safer.

The department is working with world-class research bodies to trial and pilot new ideas, concurrently designing new regulations to support rapid adoption.

## Transitioning to net-zero carbon emissions and adapting to climate change

Victoria is committed to net-zero carbon emissions by 2050. Transport is Victoria's second biggest contributor to greenhouse gas emissions, so a transition to environmentally sustainable transport will be vital to achieving this goal.

At the same time, global temperatures are increasing, making extreme weather events more frequent. Planning and delivering transport infrastructure and vehicles that are resilient to these changes will help maintain reliability and make the network more resistant to the effects of climate change.

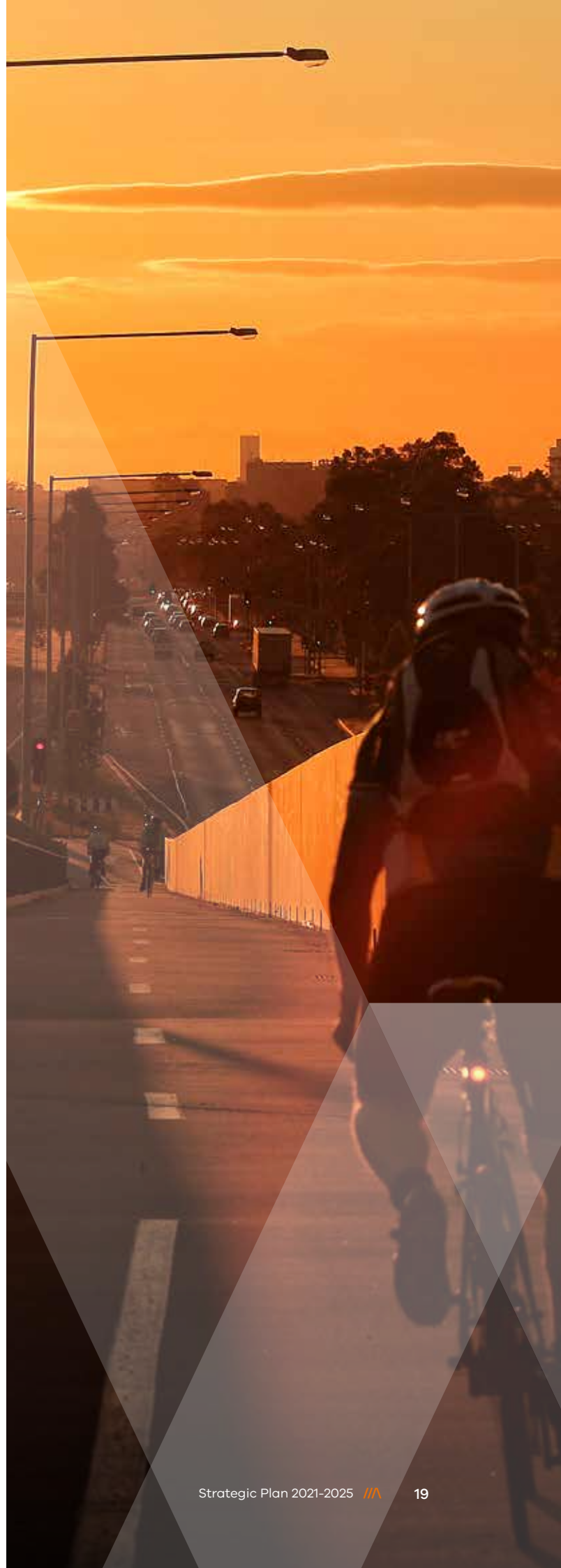
## **Transport is critical in Victoria's social and economic recovery from the COVID-19 pandemic**

Victoria's transport system is critical in supporting the economic and social recovery of the state.

The COVID-19 pandemic has fundamentally shifted travel and freight demand. The transport system is changing to reflect new travel patterns and community needs, and to capitalise on the many opportunities to use the transport sector to innovate and drive economic growth.

In the short-term, supporting the economic and social recovery from the COVID-19 pandemic means providing safe, efficient and reliable transport. The department is thinking innovatively to deliver more choice and more services through non-infrastructure solutions, testing concepts and new ways of partnering, while balancing demand across different transport modes.

The transport sector is also important for economic recovery in its own right, providing opportunities for employment, investment and economic growth.









## Strategic directions

The department has strategic directions for the transport system to guide responses to the challenges Victoria faces, and future projects and policies.

### Diverse journeys

Transport will deliver journeys that are inclusive, efficient, flexible and simple to support the complex and diverse needs of passengers, whether they are travelling to work, education, services, recreation or other destinations.

Changing demographics, lifestyles and behaviours means people are using the transport system differently and for so much more than travelling to and from work.

The department plays a crucial role in connecting people to social and economic opportunities, and this task will only grow in importance.

### New travel patterns

Transport is helping to realise *Plan Melbourne* and other key land use strategies by planning a system that facilitates new travel patterns and connects more people with more jobs in more locations.

People movement patterns and needs are complex and diverse, with changes in demographics and lifestyle influencing where, when and how people travel. As jobs and services are dispersed throughout the community and move closer to where people live, the nature of travel will be transformed, with a reduction in the distance of journeys and a change in travel behaviour.

### New and evolving technologies

The department will maximise the opportunities created by new and evolving technologies, using open data to drive innovation, new service models in order to solve problems and deliver more choice and better transport for all Victorians. As travel patterns and demand fluctuate, the department needs to adopt more flexible and rapid ways of working. Technology can provide speedy solutions to improve many aspects of the transport system. By exploring these solutions, the department can create more options to make the system more efficient and deliver better services.

### Service and network reforms

The department is developing new policies, adding services and making network reforms to support and complement the government's historic \$80 billion investment in new transport infrastructure. Modern, well maintained infrastructure is critical to the transport system. While the Government is investing in new infrastructure to help keep up with demand and to improve access to transport for all Victorians, there is a need to complement this by making the best use of the existing network and services. The department must be smart about how it grows the transport network to get people and freight where they need to go. By optimising existing networks and supporting more efficient modes of transport, the department can get the most out of government investments and assets.



## Environmentally sustainable transport

Transport is Victoria's second biggest contributor to greenhouse gas emissions. By better managing the effect on the natural environment, the department can contribute to healthy, sustainable and vibrant communities. There is a need to contribute to the Victorian Government's commitment to achieve net zero emissions by 2050 and promote the transition to environmentally sustainable transport.

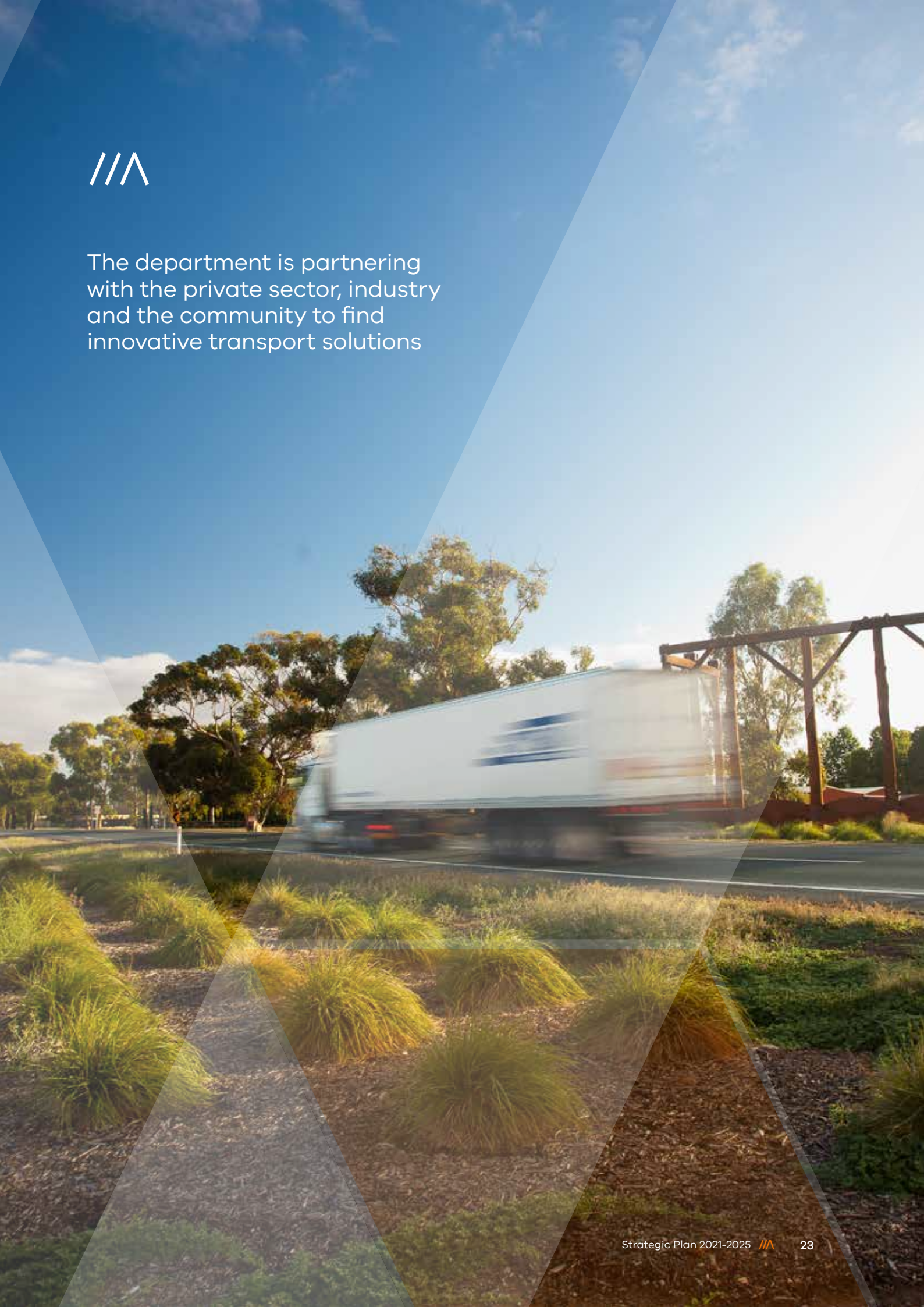
## Test and trial new ideas

The department is partnering with the private sector, industry and the community to find innovative transport solutions that can be tested, trialled and rapidly redeployed to enable a swift and innovative response to transport challenges. There is a need to be more flexible and adaptable to change to meet the community's expectations. By actively investing time, effort and resources in a broad range of flexible and quick-to-market solutions, fast, effective changes can be implemented such as reconfiguring existing resources, developing new commercial arrangements and making regulatory reforms.





The department is partnering with the private sector, industry and the community to find innovative transport solutions







A great transport system  
is an enabler for great  
communities, a great  
economy, and ultimately,  
a great future for Victoria

# Focus areas, strategic priorities and key initiatives for 2021-25

The department's Strategic Plan 2021-25 has seven focus areas and 26 strategic priorities that bring the strategic directions to life.



## 1. Safe journeys for all

Operate a transport system that is safe and inclusive, and inspires confidence for all journeys and users



## 2. New travel patterns and places

Deliver a people-focused system that enhances communities with sustainable new travel patterns, public and active transport and shared mobility services



## 3. Advance technology and assets

Leverage new technologies and optimise the performance of transport system assets



## 4. Service and network reforms

Maximise and reform how transport policy, plans, infrastructure and services deliver social outcomes and drive economic recovery



## 5. Environmental sustainability

The transport network is public space that contributes to healthy, sustainable and liveable communities



## 6. Innovation through engagement

Strengthen industry and community partnerships to test, trial and rapidly deploy improvements



## 7. Empower our people

Be a diverse, adaptable and connected workforce, empowered to deliver simple, safe, connected journeys

The focus areas and strategic priorities have been designed to reflect the scale of the department's responsibilities. Key initiatives have been included in the Strategic Plan to demonstrate how the department is working towards each focus area and priority. They illustrate the breadth and depth of activity, key government investment and metro/regional initiatives. Initiatives may contribute to more than one focus area or priority, and may move between these over time, particularly where they are large programs of work.

Several initiatives have also been included in the Strategic Plan to reflect the internal work of the department.

The department tracks progress and impact in over 150 performance measures, which are reported publicly in its Annual Report and to the Public Accounts and Estimates Committee. A range of measures have been included in the Strategic Plan to reflect this.



## 1. Safe journeys for all



<b>Description</b>	Operate a transport system that is safe and inclusive, and inspires confidence for all journeys and users
<b>Strategic priorities</b>	<b>1.1</b> Instil public confidence in the transport system and keep it COVIDSafe for everyone who uses it.
	<b>1.2</b> Improve the safety and accessibility of the transport system and boating activities.
	<b>1.3</b> Prepare and respond to significant incidents and emergencies in and around our transport networks.
<b>Key initiatives include</b>	COVID-19 recovery activities and COVIDSafe practices
	Off-peak fare discount and myki registration
	Continue communicating network disruptions
	Road Safety Strategy 2021-30 and Road Safety Action Plan 2021-23
	Safer Roads Program, investing in road safety infrastructure
	Accessible Public Transport Action Plan 2020-24 and associated programs
	Rolling stock investment for train programs, such as the new X'Trapolis trains, Comeng Further Life Extension and Classic Fleet Sustainability programs, and boosting of accessibility across the network
	Network safety, security and resilience and personal safety
	Better boating fund and infrastructure upgrades
	Emergency management and response activities including landslips, bushfire and flood recovery and support for local communities
<b>Measures of success include</b>	<ul style="list-style-type: none"> <li>• Customer satisfaction index</li> <li>• Road safety initiatives completed</li> <li>• Safety audits and regulatory interventions of public transport operators</li> <li>• Transport safety offence prosecutions</li> </ul>

## 2. New travel patterns and places



<b>Description</b>	Deliver a people-focused system that enhances communities with sustainable new travel patterns, public and active transport and shared mobility services
<b>Strategic priorities</b>	<p><b>2.1</b> Use data and digital capabilities to develop new travel options and ways to plan journeys to reflect changing behaviours and expectations.</p> <p><b>2.2</b> Connect communities through service reforms, regular services and service types such as 'turn up and go' and 'rapid running.'</p> <p><b>2.3</b> Ensure places and transport networks are developed in ways that encourage cycling and walking.</p> <p><b>2.4</b> Use the transport system to plan and deliver land outcomes and precinct developments that increase liveability.</p>
<b>Key initiatives include</b>	<p>Suburban Rail Loop</p> <p>PTV app enhancements and RideSpace</p> <p>More trains, more often across metropolitan and regional Victoria through driver training and recruitment</p> <p>Demand responsive transport including FlexiRide bus</p> <p>Active transport initiatives to support walking and cycling, including new and upgraded bike lanes and pop-up bike lanes, shared paths, cycling prioritisation pilots, school crossings and pedestrian infrastructure</p> <p>Precinct design and planning including Arden, Sunshine and Richmond to Flinders</p> <p>Victoria's living transport network</p>
<b>Measures of success include</b>	<ul style="list-style-type: none"> <li>• Passengers on public transport</li> <li>• Public transport service punctuality and delivery</li> <li>• Travel time reliability</li> <li>• Cycling and pedestrian projects completed</li> </ul>



### 3. Advance technology and assets



<b>Description</b>	Leverage new technologies and optimise the performance of transport system assets
<b>Strategic priorities</b>	<b>3.1</b> Invest efficiently in asset maintenance systems and strategies that strengthen the reliability and resilience of the transport system.
	<b>3.2</b> Plan and deliver ways to leverage more from our assets and support the introduction of new technology and services.
	<b>3.3</b> Enable faster and more reliable freight supply chains.
<b>Key initiatives include</b>	Metro rail infrastructure renewal program
	Rail infrastructure maintenance and improvements, including focus on regional rail
	Road asset maintenance program and local road upgrades
	Pier and jetty projects
	Critical bridge strengthening
	Management and maintenance of bridge assets, such as FiBridge technology
	Keeping Victorians Moving package
	Pavement maintenance and renewal program
	Next Generation Ticketing strategy
	Heavy vehicle improvement program, including training new drivers
	Port Rail Shuttle Network
	Mode Shift Incentive Scheme program
	Keeping Freight Moving
	Integrated Asset Management Framework
<b>Measures of success include</b>	<ul style="list-style-type: none"> <li>• Roads meeting standards</li> <li>• Roads asset management</li> <li>• Road-based freight accessibility and reliability projects completed</li> </ul>

## 4. Service and network reforms



<b>Description</b>	Maximise and reform how transport policy, plans, infrastructure and services deliver social outcomes and drive economic recovery
<b>Strategic priorities</b>	<p><b>4.1</b> Deliver integrated activities and reforms that maximise efficiencies of the transport network, complement the Big Build and assist Victoria's recovery from COVID-19.</p> <p><b>4.2</b> Invest in new and upgraded trains, trams, buses and infrastructure across metropolitan and regional Victoria to drive efficiencies, sustainability, innovation, social outcomes and economic recovery.</p> <p><b>4.3</b> Ensure balanced and responsible financial management to maximise efficiency and value for money within our budget.</p> <p><b>4.4</b> Demonstrate whole-of-government leadership to help shape Victoria's recovery and connect people to jobs, schools, freight, services and each other.</p>
<b>Key initiatives include</b>	<p>Big Build projects including Level Crossing Removal Projects, Metro Tunnel, High Capacity Metro Trains, M80 Upgrade, Western Rail Plan including Geelong Fast Rail, West Gate Tunnel, North East Link, Melbourne Airport Rail Link, Regional Rail Revival, Cranbourne Line Upgrade, Hurstbridge Line Upgrade, Rural and Regional Roads Package, Monash Freeway Upgrade. See <a href="https://bigbuild.vic.gov.au/projects">https://bigbuild.vic.gov.au/projects</a></p> <p>Building Works stimulus package</p> <p>Legislative and regulatory reforms</p> <p>Murray Basin Rail Project</p> <p>Design and manufacture of 100 Next Generation Trams</p> <p>Replacement of regional trains with Vlocity carriages</p> <p>Tram improvements, including delivery of E-Class trams and tram infrastructure program</p> <p>Better bus services including Victoria's Bus Plan, zero emission bus trial and Better Bus Fund</p> <p>Metropolitan Network Modernisation Program</p> <p>Intersection upgrades across Victoria, including Keeping Ballarat Moving</p> <p>Better train services for Bendigo and central Victoria</p> <p>Car parks and station upgrades</p> <p><i>Victorian Ports Strategy</i></p> <p>Network pipeline management</p>
<b>Measures of success include</b>	<ul style="list-style-type: none"> <li>• Projects completed within agreed scope, timeframes and budget</li> <li>• Major road improvement projects completed</li> <li>• Containers transported by rail under the Mode Shift Incentive Scheme program</li> </ul>



## 5. Environmental sustainability



<b>Description</b>	The transport network is public space that contributes to healthy, sustainable and liveable communities
<b>Strategic priorities</b>	<b>5.1</b> Reduce greenhouse gas emissions from transport activity to contribute to the Government's Transport Emission Reduction Pledge for net-zero emissions by 2050.
	<b>5.2</b> Seize opportunities in the circular economy to improve sustainability and reduce waste from the transport system.
	<b>5.3</b> Reduce harmful effects of transport on health and the natural environment, and prepare and adapt the transport system for the effects of climate change through Victoria's Climate Change Strategy.
<b>Key initiatives include</b>	Transport Emissions Reduction Pledge – Zero emission bus fleet trial
	Transport Emissions Reduction Pledge – Delivery of \$5 million Zero Emission Vehicles Commercial Sector Innovation Fund
	Leader in the adoption of zero emission vehicles including expert panel
	Ecologiq program and the Recycled First policy
	Transport Climate Change Adaptation Action Plan
	Environmental management system
<b>Measures of success include</b>	<ul style="list-style-type: none"> <li>• Office-based environment performance</li> <li>• Key achievements included in the Annual Report</li> </ul>

## 6. Innovation through engagement



<b>Description</b>	Strengthen industry and community partnerships to test, trial and rapidly deploy improvements
<b>Strategic priorities</b>	<b>6.1</b> Partner with stakeholders, industry and the private sector to increase innovation and to test, trial and rapidly deploy improvements.
	<b>6.2</b> Actively manage contracts, franchises and relationships with service providers to maximise the public value and innovation they deliver.
	<b>6.3</b> Achieve government targets and objectives for local job creation and industry participation.
	<b>6.4</b> Recognise, celebrate and partner with Traditional Owners of our land and be active leaders of government's Aboriginal policy commitments, including treaty and self-determination.
<b>Key initiatives include</b>	Digitisation of registration and licensing services, including online learners permits
	VicRoads Modernisation Project
	Victoria's MR4 train and tram franchise agreements
	V/Line governance reform
	Interstate Rail Network Lease Agreement (ARTC)
	National Rail Action Plan including Rail Skills Initiative
	Victorian Tunnelling Centre and Certificate II in Heavy and Light Rail Fundamentals
	Women in Transport Strategy
	Aboriginal Self-Determination Plan 2020-23
Strategic communications and engagement framework	
<b>Measures of success include</b>	<ul style="list-style-type: none"> <li>• Local Jobs First</li> <li>• Social procurement and Aboriginal Business Engagement</li> </ul>



## 7. Empower our people



<b>Description</b>	Be a diverse, adaptable and connected workforce, empowered to deliver simple, safe, connected journeys
<b>Strategic priorities</b>	<b>7.1</b> Actively support the safety, wellbeing and mental health of our workforce, and new ways of working that are flexible and support engagement.
	<b>7.2</b> Increase inclusion and diversity to ensure our organisation reflects the community we serve.
	<b>7.3</b> Demonstrate leadership at all levels to live our values and continuously prioritise culture and performance.
	<b>7.4</b> Deliver business improvement activities that enable our workforce to operate as one department in a hybrid working environment.
	<b>7.5</b> Proactively develop our workforce, talent and skills so we have the capability to sustain delivery and drive innovation.
<b>Key initiatives include</b>	Health Safety and Wellbeing Strategic Plan 2020-23
	COVID-19 corporate response and recovery, and hybrid working arrangements
	Inclusion and Diversity Strategy
	Our Cultural Values implementation
	Technology, cyber and data strategy
	Internal communications strategy
	Strategic workforce planning
	Youth employment program
Leadership and Management Development Strategy 2019-23	
<b>Measures of success include</b>	<ul style="list-style-type: none"> <li>• Workforce inclusion targets</li> <li>• Occupational Health and Safety management</li> <li>• People Matter Survey Employee Engagement Index</li> </ul>

## Strategic risk

Risk exists throughout the transport system, and effective risk management is essential for the department to maximise opportunity and minimise loss associated with achieving its objectives.

The department adheres to the Victorian Government Risk Management Framework (VGRMF), which requires all departments to develop and implement formalised risk management processes.

The department maintains a robust risk management framework as well as supporting risk management activities including risk management plans, risk culture and risk appetite initiatives, strategic risks, and engagement in state significant risk activities.

For example:

- The department continues to monitor and manage **safety risks**, including risks associated with the COVID-19 pandemic.
- Strong operational, incident and emergency management capabilities are needed to prepare and respond to increasing **risks of extreme events**, such as bushfire, heatwaves and flash flooding.

- Transport mode shift between road, public transport and active transport has been impacted in the short term, which presents **service delivery risks**.
- Stimulus spending has been significant, on top of recent Government investment in transport infrastructure. These present **economic and social opportunities** for new skills and job growth, including in non-traditional transport functions.
- The department vigilantly manages **cyber risks** in accordance with the Victorian Government's policy and processes to protect the security of critical Victorian data and infrastructure.

The department maintains a robust risk management framework as well as supporting risk management activities including risk management plans, risk culture and risk appetite initiatives





Transport will continue to play an essential role and be a major priority for Victoria



## Financial outlook and assets

On 20 May 2021, the *Victorian State Budget 2021-22* was handed down by the Treasurer. The State Budget emphasised the importance of creating jobs and services that will care for Victorians to support the state's economic recovery.

The following budget commitments for transport will enable the department to continue to focus on delivering outcomes for Victoria and the community:

- \$2.36 billion investment in the early development works for the 90-kilometre Suburban Rail Loop that will link every major rail line from the Frankston line to the Werribee line.
- \$1.48 billion investment to procure 100 Next Generation Trams for the Melbourne network. The trams will be manufactured in Victoria, supporting almost 1,900 local manufacturing and supply chain jobs over the next decade and contributing to Victoria's economic recovery.
- \$986 million for 25 new metropolitan trains and to upgrade a train maintenance facility, providing local jobs and improved services. The new trains will have minimum 60 per cent local content requirements and be manufactured in Victoria with major works occurring in Ballarat. This will support local manufacturing and supply chain businesses in the region, with the investment expected to support around 750 jobs.
- \$465 million to support the reliability of regional train services, including major periodic maintenance to be delivered across the regional rail network.
- \$368 million to deliver enabling infrastructure for Next Generation Trams, including construction of a new tram maintenance facility in Melbourne's north-west.
- \$240 million to upgrade rail infrastructure at Caulfield Junction to segregate the Frankston and Dandenong lines, and additional traction power and security fencing, allowing for increased train speeds, better reliability and improved service outcomes.

- \$100 million to commence detailed design and planning of targeted upgrades on the Calder Freeway for safer and more reliable journeys.

Forward estimated financial statements are available in the published Budget Paper No. 5 – Statement of Finance, available through the Department of Treasury and Finance at [www.budget.vic.gov.au/budget-papers](http://www.budget.vic.gov.au/budget-papers).

### Operating performance

The department is expected to report an operating surplus of \$537 million in 2021-22, compared with an operating deficit in 2020-21 of \$147 million for the revised budget.

### Balance sheet

The department's net assets position is estimated to increase by \$5.1 billion in 2021-22, compared with the 2020-21 revised budget, reflecting an increase in total assets of \$5.4 billion and an increase in total liabilities of \$267 million.

### Investing and finance

The department is anticipating an increase of \$159 million in its net cash position in 2021-22, compared with the 2020-21 revised budget, mainly due to increased fine revenues available for investment in the roads capital program.





Transport is key to the future economic success and liveability of Victoria's towns, cities and regions

### **Asset outlook and investment**

The department manages a significant and growing asset portfolio to deliver effective transport services for Victorians. The asset portfolio includes roads, bridges, rolling stock such as trains, trams, and buses, rail infrastructure and port assets.

For 2021-22, the department's total assets are budgeted at \$100 billion (see Budget Paper 5). More than \$13.1 billion has been committed in 2021-22 for new and existing capital projects and \$50 billion remaining expenditure committed for future capital works.

Further financial detail on the department's asset portfolio is available in State Budget Paper 4 – 2021-22 State Capital Program.

The department uses the *Asset Management Accountability Framework* (Department of Treasury and Finance, AMAF) which is a coordinated, risk-based, whole-of life approach to maintain and continuously improve its asset management.

### **Accumulated State Administration Unit surplus**

In accordance with the Resource Management Framework (Department of Treasury and Finance), the department will make a formal request if it wishes to access and use the surplus balance in 2021-22.

## Measuring success and reporting performance

Under the department's current performance reporting approach, the department tracks the progress and impact of over 150 service delivery performance measures which are published in the State Budget papers.

Examples of how the department's focus areas, priorities, initiatives and measures align have been included in this plan. The department reports publicly on its performance through its Annual Report and through the hearings of the Public Accounts and Estimates Committee (PAEC). The department also contributes to a range of other publicly available reports required of the Victorian Public Sector. Internal initiatives are also regularly monitored and reported to ensure progress.

The department will continuously improve how it measures performance in accordance with the Department of Premier and Cabinet's Outcomes Framework (March 2021) and the recent audit report Measuring and Reporting on Service Delivery (May 2021) prepared by the Victorian Auditor General.

Transport is key to the future economic success and liveability of Victoria's towns, cities and regions.

Collectively, the department's initiatives and measures help Victoria become more:

- **Prosperous:** people and goods can get where they need to go
- **Connected:** people are connected to each other and the places they work, study and relax
- **Liveable:** reliable and comfortable journeys that get people home safely.

The department looks forward to continuing to deliver simple, safe, connected journeys for all Victorians.











