

# Fixing the trains

Progress report

December Quarter 2018



# Foreword from the Minister

Queensland Rail has made significant progress in stabilising rail operations and restoring service reliability across the Citytrain network. Of the 36 recommendations set out in the *Strachan Inquiry*, 18 are now complete and a further 18 are in progress.

As with any large-scale transformation program, and as I requested last quarter, a mid-program review has now been undertaken to ensure the remaining recommendations are appropriately prioritised within realistic delivery timeframes. I have accepted that some recommendations will be brought forward and some recalibrated to ensure that we achieve the best possible outcomes for the people of Queensland, and align with longer term plans for the growth of our network.

By delivering on the revised program and ensuring a focus on sustainable and enduring change, it is my expectation that Queensland Rail will deliver a modern, efficient and reliable rail service into the future.

While 120 new drivers and 269 new guards have completed training since October 2016 (as at 31 December 2018), Queensland Rail must continue to improve its driver training program. This includes finalising the development of a new agreement through a collaborative engagement process with its workforce. Once complete, it is my belief this agreement will support Queensland Rail in introducing incremental improvements in service levels throughout 2019 and moving toward a return to full service timetable when sustainable to do so.

I will continue to work with Queensland Rail in its response and recovery efforts, ensuring it remains focussed on putting the customer first.



A handwritten signature in black ink, appearing to read 'Mark Bailey', written over a white background.

**Mark Bailey**

Minister for Transport and Main Roads

# Transforming public transport in Queensland

We are committed to supporting Queensland Rail to improve organisational capability and deliver a modern, efficient railway.

We will ensure Queensland Rail remains focussed on ensuring rail services are restored to the levels required to meet the demand of our customers, with a sufficient pipeline of train crew to sustain these levels into the future.

Most importantly, our commitment to a better public transport service for customers is unwavering.

This quarterly report details the progress made between October 2018 and December 2018, to address the recommendations of the *Strachan Inquiry*.

## Priorities

The transformation program is being delivered in three phases: **stabilise**, **recover** and **transform**.

**Stabilise** operations, restore Citytrain services to a sustainable level, and regain customer and stakeholder confidence.

**Recover** the organisation and lay the foundation for a broader transformation program.

**Transform** Queensland Rail through cultural change and deliver a more integrated public transport service for Queensland.



### Phase 1: stabilise

Queensland Rail successfully delivered a reliable timetable for the 2018/19 summer holiday period, including Christmas Day and New Year's Eve, without the requirement for a timetable downgrade.

Focus will now turn to planning for identified stress periods in 2019, including the implementation of Master Roster 2.

### Phase 2: recover

Since October 2016, and as at 31 December 2018, Queensland Rail has recruited and trained an additional 120 drivers and 269 guards, with a net increase of 62 drivers and 113 guards.

Work is currently underway to further improve the current training program in order to support an increase in the number of new drivers into supply. This will not only support incremental improvements to service levels throughout 2019, but will also assist in delivering the necessary pipeline of train crew to successfully operationalise future projects including Cross River Rail.

### Phase 3: transform

Queensland Rail, the Department of Transport and Main Roads, and the Citytrain Response Unit have worked together to recalibrate the program, prioritising the recommendations and milestones critical to improving services for customers.

The approach to delivering key transformation initiatives has also been agreed upon, with a focus on ensuring the efficient and coordinated delivery of major projects and significant timetable changes. This will support the successful delivery and operationalisation of projects such as the Cross River Rail and the European Train Control System.

# Training and retention initiatives

## Collaborative approach delivers program improvements

The 2017 Strachan Inquiry identified a requirement to overhaul and optimise Queensland Rail's driver training program and develop strategies to retain train crew while providing a sustainable pipeline of drivers needed to deliver a reliable full-service timetable and successfully operationalise projects such as Cross River Rail.

A key focus of the program for the second half of 2018 was on delivering improvements to training and retention initiatives. In response to Queensland Rail's desire to expedite the recovery process, Queensland Rail entered into a collaborative engagement process with its workforce to identify further training enhancements and complementary changes to train crewing rules.

Negotiations are currently underway through the development of a new *Traincrew Training Heads of Agreement* (HOA). The HOA is expected to focus on the following initiatives:

- Introduction of partial network qualification
- Greater utilisation of tutor resourcing
- Improved processes for the ongoing assessment of driver competencies.

It is anticipated the new HOA will be implemented in early 2019, supporting incremental improvements to service levels and, when sustainable, a return to full service timetable.





# Transformation progress report

October – December 2018

The Citytrain Response Unit is continuing to work with Queensland Rail and the Department of Transport and Main Roads to ensure that the Strachan Inquiry recommendations and program milestones are appropriately prioritised and delivered to achieve the best outcomes for customers.

Targeted reviews in Quarter 4, 2018 focused on:

- Queensland Rail's training initiatives and retention strategies
- Recalibrating the program schedule to prioritise recommendations and milestones critical for improving services for customers.

## Recommendations and milestones completed in Quarter 4, 2018

Recommendation	Response	Citytrain Response Unit Comment
<b>Milestones achieved</b>		
<b>3. Revise mandate for projects organisation</b>	Queensland Rail has established an Integrated Operations Planning structure within the business to provide a single point of accountability for the planning and coordination of all major capital projects and significant operational changes, including the introduction of new timetables.	This recommendation has interdependencies with Recommendations 33 and 34 which the Department of Transport and Main Roads is responsible for implementing. It is expected that Queensland Rail will work with the Department of Transport and Main Roads to ensure alignment between the recommendations, prior to close out.
<b>4. Revise timetable readiness</b>	Queensland Rail has developed an operational readiness framework which has been successfully implemented to categorise and assess projects and timetable changes under current arrangements.	This recommendation has interdependencies with Recommendations 33 and 34, which the Department of Transport and Main Roads is responsible for implementing. It is expected that Queensland Rail will work with the Department of Transport and Main Roads to ensure alignment between the recommendations, prior to close out.
<b>26. Review leadership capabilities</b>	Queensland Rail has developed a capability framework which identifies the capabilities required at each level of the organisation. Queensland Rail has completed an assessment of leadership capabilities.	Queensland Rail will update and finalise all relevant diversity, talent and succession plans.

# Mid-program review

At my request, Queensland Rail, the Department of Transport and Main Roads and the Citytrain Response Unit completed a review of the program to ensure initiatives, including outstanding recommendations of the Strachan Inquiry are appropriately prioritised within realistic delivery timeframes.

As a result, the revised program has been extended through until December 2020, with refinements to several Strachan Inquiry recommendations identified. These are outlined below.

- Recommendation 9: Introduce train crew sectorisation.**  
It has been identified that to achieve the best whole-of-network outcomes, train crew sectorisation will need to be implemented in line with the incremental network and timetable changes required to prepare for and operationalise Cross River Rail.

It has therefore been agreed that in order to complete this recommendation, Queensland Rail will introduce a new route competency training program, allowing new train drivers to achieve partial network deployment. Queensland Rail will also be required to develop a train crew sectorisation strategy in consultation with the Department of Transport and Main Roads and the Cross River Rail Delivery Authority. This recommendation is now expected to be delivered in June 2019.

- Recommendation 22a: Minimise organisational layers.**  
Queensland Rail has made a number of changes to its organisational structure, in line with Recommendation 22. On review, the recommendation to target a maximum of five layers from the Chief Executive Officer to frontline operations, may not be appropriate for all areas of the business. For example, the significant number of operational staff within the business may require additional layers to achieve effective levels of supervision and communication, and align with good practice observed in other jurisdictions. It has been agreed that the number of layers required for each area of the business must be considered on a case by case basis. This recommendation is now expected to be completed in September 2019.
- Recommendation 23: Introduce lean management system.**  
Queensland Rail has implemented a lean management system across the Rollingstock Maintenance division. Queensland Rail is now considering the appropriateness of lean management throughout other divisions of the organisation. This recommendation is now expected to be completed in March 2019.



# Citytrain RESPONSE UNIT

## Key metrics

To ensure transparency about the progress and impact of the program, the Citytrain Response Unit reports quarterly on these performance indicators.

### Program progress indicators

#### Recommendations

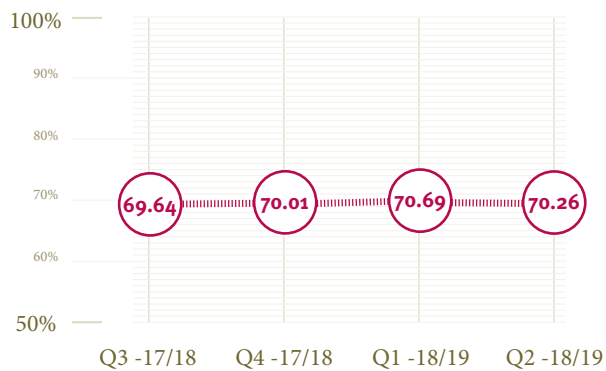
In planning	In progress	Partially complete	Complete
0	15	3	18

### Recruitment since October 2016 (as at 31 December 2018)

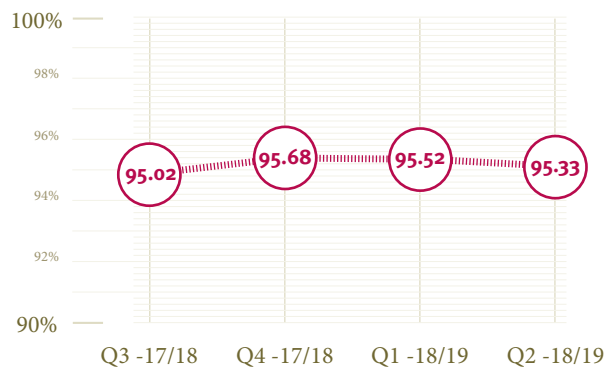
Train crew	Selected	Trained	Net increase*
Drivers	251	120	62
Guards	319	269	113

\* The total net increase takes into account attrition, and includes all fully qualified train crew including tutors and inspectors.

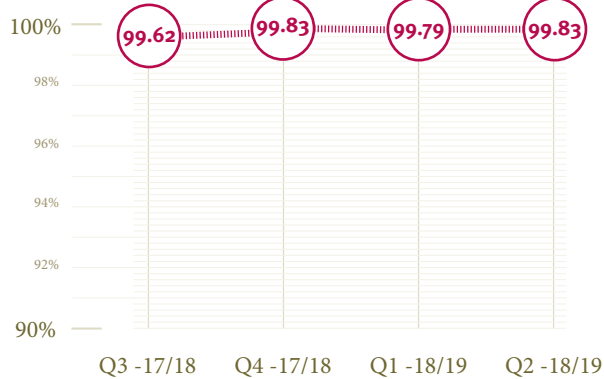
Graph 1 – Customer Satisfaction



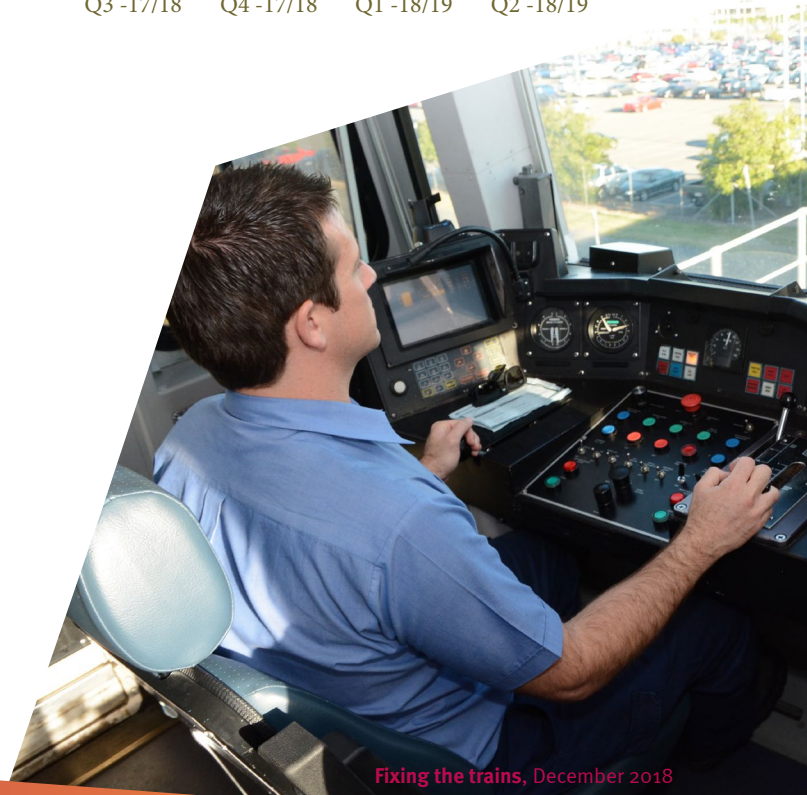
Graph 2 – On-time Running



Graph 3 – Services Delivered



Quarters are based on a financial year with Q1 being July-September, Q2 October-December, Q3 January-March and Q4 April-June.





# Detailed progress of recommendations

## Legend

- Interim milestone
- Final milestone
- Clear objective Initiative has been scoped
- Plan in place Project plan agreed with sponsor
- Dedicated resource Recommendation has been adequately resourced

Initiative	Recommendation	Status	Clear objective	Dedicated resource	Plan in place	Target date			Progress	Next steps
						2017	2018	2019		
<b>Forecasting</b>	1. Introduce mature, long-term forecasting	Complete	✓	✓	✓				Recommendation completed in December Quarter 2017	
	5. Consider need for timetable adjustment	Partially complete	✓	✓	✓				Successfully managed the 2018/19 summer holiday period, including Christmas and New Year, without the need for a timetable downgrade	Identify and plan for any timetable or roster adjustments in 2019, including the introduction of Master Roster 2
<b>Operational improvement</b>	7. Accelerate workforce system implementation	Complete	✓	✓	✓				Recommendation completed in September Quarter 2017	
	9. Introduce train crew sectorisation	In progress	✓	✓	✓				Continued development of train crew sectorisation strategy and implementation approach	Progress work to finalise Queensland Rail's sectorisation strategy and implementation pathway
	11. Institute eight-week crew planning process	Complete	✓	✓	✓				Recommendation completed in March Quarter 2018	
										● Eight-week forecast developed
	12. Actively manage leave	Complete	✓	✓	✓				Recommendation completed ahead of schedule in December Quarter 2017	
	17. Clarify responsibility for train crew forecasting	Complete	✓	✓	✓				Recommendation completed in March Quarter 2017	
	18. Review all train crew responsibilities	Complete	✓	✓	✓				Recommendation completed in December Quarter 2017	

Initiative	Recommendation	Status	Clear objective	Dedicated resource	Plan in place	Target date				Progress	Next steps	
						2017	2018	2019	2020			
<b>Workforce arrangements</b>	6. Undertake near-term union negotiations	Partially complete	✓	✓	✓						Finalised analysis of Master Roster 2 impact to train crew and implementation plan	Operationalise Master Roster 2
	8. Complete review of all crewing rules	Partially complete	✓	✓	✓						Training underway for managing registers of train crew rules and processes	Update registers to incorporate all crewing rules and any future requirements
	10. Target a structural surplus of staff	In progress	✓	✓	✓						As at 31 December 2018, 120 drivers and 269 guards have completed training since October 2016	Continue delivering the training and recruitment program to ensure the necessary train crew are delivered into supply Monitor progress against targets and provide regular reporting to key stakeholders
<b>Recruitment and training</b>	14. Open recruitment to external applicants	Complete	✓	✓	✓						Recommendation completed ahead of schedule in September Quarter 2017	
	15. Stabilise recruitment and training intakes	Complete	✓	✓	✓						Recommendation completed in September Quarter 2017	
	16. Overhaul training program	In progress	✓	✓	✓						Recommendation completed in September Quarter 2017	Embed relevant training system improvement initiatives to achieve agreed average training durations
<b>New CEO</b>	25. Recruit new CEO with suitable attributes	Complete	✓	✓	✓						Recommendation completed in June Quarter 2017	

● External recruitment for Queensland Rail-experienced drivers complete

● End-to-end re-design of driver training program

Initiative	Recommendation	Status	Clear objective	Dedicated resource	Plan in place	Target date			Progress	Next steps	
						2017	2018	2019			
Organisation and culture	3. Revise mandate for projects organisation	In progress	✓	✓	✓				Integrated Operations Planning structure is now operational	Undertake consultation with stakeholders to ensure the implementation of this recommendation is in alignment with Recommendations 33 and 34	
							<ul style="list-style-type: none"> <li>Integrated Operations Planning established</li> </ul>				
	19. Refresh escalation practices	In progress	✓	✓	✓				Ongoing implementation of awareness campaign for escalation processes for operations	Rollout of escalation processes and issue awareness across the broader organisation	
	20. Minimise executive absences at key times	Complete	✓	✓	✓				Recommendation completed in June Quarter 2017		
	21. Address practice of acting sideways	Complete	✓	✓	✓				Recommendation completed in June Quarter 2017		
	22. Overhaul organisational structure	In progress	✓	✓	✓				Review completed on minimising the number of layers within the organisation	Implement new structure in train service delivery to support an increase in the ratio of supervisors to train crew to improve relationship and information flow between management and staff	
							<ul style="list-style-type: none"> <li>Safety function elevated and training accountability transferred to Human Resources</li> </ul>				
	26. Review leadership capabilities	In progress	✓	✓	✓				Completed Executive and Senior Leadership Team capabilities assessment	Update and finalise all relevant diversity, talent and succession plans	
							<ul style="list-style-type: none"> <li>Leadership capability review commenced</li> <li>Capabilities framework developed</li> </ul>			Developed capabilities framework	
	31. Undertake a cultural change program	In progress	✓	✓	✓				Continued CFO engagement with the broader organisation as part of the initial stages of cultural transformation	Undertake a cultural assessment and develop implementation plan	
						<ul style="list-style-type: none"> <li>Cultural change program designed and commenced</li> </ul>					



Initiative	Recommendation	Status	Clear objective	Dedicated resource	Plan in place	Target date				Progress	Next steps
						2017	2018	2019	2020		
	29. Reporting to Translink and public	In progress	✓	✓	✓					Developed Customer Communication Channel Strategy in consultation with TransLink Continued development of various customer initiatives, including: • Real time train information • Customer Feedback Hub • Wayfinding solutions for key locations	Continue to implement Customer Communication Channel Strategy and supporting initiatives Updates to TransLink app where relevant
						●					
											● Enhanced customer information
<b>Governance</b>	30. Develop communications plan	Complete	✓	✓	✓					Recommendation completed in September 2017 Quarter	
	32. Clarify reporting lines to Government	Complete	✓	✓	✓					Recommendation completed in June Quarter 2017	
<b>Project collaboration</b>	33. Clarify major project and timetable responsibilities	In progress	✓	✓	✓					Developed proposed framework to manage accountability for major capital projects and significant timetable changes	Test, refine and validate proposed framework/operating model prior to finalising approach
	34. Clarify program board structures	In progress	✓	✓	✓					Developed a proposed framework for clarifying program board structures in relation to the delivery of major projects and significant timetable changes.	Validate framework and develop appropriate governance for implementing recommendation in consultation with stakeholders

Initiative	Recommendation	Status	Clear objective	Dedicated resource	Plan in place	Target date				Progress	Next steps
						2017	2018	2019	2020		
<b>Oversight</b>	35. Provide independent oversight of progress	In progress	✓	✓	✓					<ul style="list-style-type: none"> <li>Performed assurance on:                             <ul style="list-style-type: none"> <li>proposed management plans for the 2018/19 summer holiday stress period</li> <li>the implementation approach for Master Roster 2</li> </ul> </li> <li>Worked with Queensland Rail and the Department of Transport and Main Roads to review <i>Fixing the trains</i> program</li> </ul>	<ul style="list-style-type: none"> <li>Perform assurance on identified periods of timetable stress</li> <li>Perform ongoing assurance on various milestones and recommendations</li> <li>Prepare March 2018 quarterly report on implementation progress</li> </ul>
<b>Reviews</b>	36A-C. Undertake review of transport governance	In progress	✓	✓	✓					<ul style="list-style-type: none"> <li>Continued government stakeholder consultation on a proposed new, integrated public transport model for Queensland</li> </ul>	<ul style="list-style-type: none"> <li>Work continuing on options for proposed/recommended model prior to Government consideration</li> </ul>
	36D. Undertake whole-of-business review	In progress	✓	✓	✓					<ul style="list-style-type: none"> <li>First phase of review completed</li> </ul>	

● Citytrain Response Unit established and Chair appointed

● First phase of review completed

