

# Video transcript: Maintaining Railway Assets Across Metropolitan Melbourne

## What we examined and why it matters

Are Melbourne's railway assets in good shape?

Melbourne's trains depend on thousands of infrastructure and technology assets to get commuters to their destinations. That includes everything from tracks and bridges to signal systems and information displays.

## Who we examined

The government owns these supporting assets, and pays a private company, Metro Trains Melbourne (Metro), to look after them. The Department of Transport and Planning oversees Metro's performance.

## Audit purpose

We examined the department and Metro to find out if Melbourne's railway assets are being maintained to deliver safe, reliable and punctual trains for commuters and the best value for taxpayers. Reliable means not cancelled and punctual means not delayed.

## What we concluded

We found that Metro is maintaining these infrastructure and technology assets to support trains to run safely and on time.

But the department doesn't have a full picture of how cost-effectively Metro is maintaining the assets, or if the current approach is best in the long term.

## Issue 1: Asset failures are not the main reason for train delays and cancellations

The Department sets targets for train safety, reliability and punctuality. Metro is meeting the safety target but not those for reliability and punctuality.

Asset failures are not the main reason for train delays and cancellations

When trains are delayed or cancelled, it is usually caused by other issues like trespassers, passengers boarding slowly and drivers not available.

## **Issue 2: The department doesn't have a long-term plan for the assets**

The department doesn't have a long-term asset management plan. This makes it hard to know how cost-effective Metro's maintenance is over time.

Which is important, because the department's contract with Metro is between 7 and 10 years, but a bridge, for example, could last 100 years.

Not having a plan also makes it harder for the department to strategically influence Metro's work.

## **Issue 3: The department doesn't have a full picture of Metro's performance.**

The department lacks important information about Metro's performance. This is because it doesn't have an overarching framework for measuring performance.

For example, while the Department monitors specific KPIs, these don't include some key aspects of asset performance and condition.

The department also doesn't know how Metro decides which assets to renew first.

## **Issue 4: Metro has a backlog of renewals**

Metro has a backlog of assets it needs to fix or replace.

The department has not checked if Metro can clear this backlog before the contract ends. This could affect train services and funding needs in the future.

Also, the department needs to improve its processes for checking that Metro is maintaining and renewing the assets according to all of the contract's requirements.

## **What we recommended**

We made 10 recommendations to the department about assessing how railway assets perform, guiding and overseeing how Metro maintains and renews them, and preparing for the next contract.

## **More information**

To find out more, or to read our full report, go to [audit.vic.gov.au](http://audit.vic.gov.au)