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# Appendix six – About the audit

## Audit objective

This audit assessed whether transport agencies are effectively improving the use of rail freight capacity in Greater Sydney.

## Audit criteria

We addressed the audit objective with the following audit criteria:

1. Are transport agencies are monitoring the access to shared rail lines?
2. Are transport agencies are effectively managing avoidable delays for rail freight movements in Greater Sydney?
3. Are transport agencies increasing the use of rail freight capacity in Greater Sydney?

## Audit scope and focus

In assessing the criteria, we checked the following aspects:

1. freight movements within Greater Sydney
2. processes to plan, undertake and monitor initiatives on the movement of freight
3. processes to collect validate, assess, evaluate, analyse and/or monitor the performance of the movement of freight in New South Wales
4. the analysis of data on performance measures and other outcomes.

This audit focused on:

- freight movements within Greater Sydney
- processes to plan, undertake and monitor initiatives on the movement of freight
- processes to collect validate, assess, evaluate, analyse and/or monitor the performance of the movement of freight in New South Wales
- the analysis of data on performance measures and other outcomes.

## Audit exclusions

The audit did not:

- examine freight movements using shipping, airlines and pipelines as the primary means of transporting goods
- examine the duplication of the Port Botany rail line
- question the merits of Government policy objectives.

## Audit approach

Our procedures included:

1. Interviewing:
  - relevant staff in the transport agencies
  - stakeholders, industry reference groups and other representatives.
2. Examining:
  - a) legislation, government policies, directions and regulations relating to transport agencies role in managing, monitoring and improving rail freight capacity in Greater Sydney
  - b) the transport agencies strategies, plans, policies, reports, and procedures for managing, monitoring and improving rail freight capacity in Greater Sydney
  - c) any relevant data pertaining to the capacity and efficiency of the freight rail network and shared networks
  - d) internal audits or reports produced by other bodies / agencies on relevant topics.
3. Analysing:
  - a) relevant data pertaining to the performance of rail freight in Greater Sydney
  - b) relevant data pertaining to the use of shared rail lines in Greater Sydney
  - c) relevant data pertaining to the capacity and pricing of shared rail lines in Greater Sydney and third-party access to these lines.

The audit approach was complemented by quality assurance processes within the Audit Office to ensure compliance with professional standards.

## Audit methodology

Our performance audit methodology is designed to satisfy Australian Audit Standard ASAE 3500 Performance Engagements and other professional standards. The standards require the audit team to comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance and draw a conclusion on the audit objective. Our processes have also been designed to comply with requirements specified in the *Public Finance and Audit Act 1983* and the *Local Government Act 1993*.

## Acknowledgements

We gratefully acknowledge the co-operation and assistance provided by Transport for NSW, Sydney Trains and the Transport Asset Holding Entity. In particular, we wish to thank our liaison officers and staff who participated in interviews and provided material relevant to the audit.

We would also like to thank other stakeholders that spoke to us and provided material during the audit.

## Audit cost

Including staff costs, travel and overheads, the estimated cost of the audit is \$442,770