

Office of Transport
Safety Investigations

otsi.nsw.gov.au

ANNUAL REPORT 2021-22



OTSI Annual Report 2021-22

This annual report provides a summary of our activities and performance for the financial year that ended 30 June 2022.

Read the annual report online at: otsi.nsw.gov.au

Cover Photo: Ferry operating on Sydney Harbour
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Letter of Transmittal

The Hon. David Elliott, MP Minister for
Transport, Veterans and Western Sydney
52 Martin Place
SYDNEY NSW 2000

31 October 2022

Dear Minister

It is my pleasure to submit to you the 2021-22 Annual Report of the Chief Investigator of the Office of Transport Safety Investigations (OTSI) for submission to Parliament.

The report highlights the principal undertakings and achievements of the Office as the State's transport safety investigator throughout the reporting period.

The report has been prepared in accordance with the requirements of the *Annual Reports (Statutory Bodies) Act 1984* and the *Annual Report (Statutory Bodies) Regulation 2015*.

Yours sincerely

A handwritten signature in black ink, appearing to read 'N Pelham', with a stylized flourish at the end.

Dr Natalie E Pelham
CEO & Chief Investigator

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Our organisation

Our purpose

To improve transport safety outcomes in NSW

Our mission

To improve safety outcomes and public confidence through independent investigation, sharing safety lessons, and engagement with the transport sector

Our commitments

- Improve transport safety outcomes by identifying safety issues, and communicating actionable recommendations in a timely manner
- Maintain ongoing regular interaction with transport operators, regulators and other stakeholders
- Identify whether recommendations are implemented in a timely manner
- Contribute to journey reliability by identifying safety issues that reduce the likelihood of service disruption

Our values

- Be Independent
- Be Courageous
- Be Collaborative
- Be Respectful
- Make a Difference

Chief Investigator's report

2021-22 was a landmark year for OTSI, its most significant since becoming a standalone statutory agency in 2005.

Over the past 17 years, OTSI has received and triaged more than 15,000 transport safety incident notifications, completed more than 200 investigations, and engaged with hundreds of stakeholders on the safety insights arising from its work.

OTSI's body of work represents an important contribution to safety improvement on the NSW transport network and while that is something to be proud of, we cannot afford to rest on past achievements.

In the time since OTSI was established, the transport landscape has experienced significant change with increasing patronage and kilometres travelled across all modes, an increase in incidents, the introduction of new modes (metro and light rail), franchising of ferries and buses, new technology, and major infrastructure investment and the expansion of passenger services.

Our operating environment continues to evolve, and we recognise that OTSI needs to evolve too in order to ensure we maximise our impact in improving the safety of the NSW transport network and also effectively meet the changing expectations of government, the transport industry and the community.

During 2021-22 we revised OTSI's business operating model in line with our legislative functions to increase our focus on proactive, data-driven activities



which will enable us to better identify risk and share this information with the transport industry.

This revised model was implemented with a new organisation structure in February 2022. We have expanded OTSI's investigations team to enhance our capacity to investigate both standalone incidents and more complex rail, bus and ferry systemic safety issues to support industry to manage risk and eliminate or reduce common safety incidents.

During the year we established the foundations on which to build our data analysis and reporting arm which, once fully staffed, will power our ability to better identify safety risks, to undertake research and programmed investigations into known risks, and to deliver more insights to the transport sector.

Upping the ante on our engagement with government, operators, regulators and peak bodies was a key focus during the year and we will continue to refine and expand our safety promotion strategy in 2022-23 so we can better support industry and government to achieve safety improvement.

Embedding major structural reform while also delivering on 'business as usual' is a challenge for any organisation and in a small agency, these impacts can be felt more keenly. Like other organisations across the globe, in 2021-22 OTSI also had to continue to address the operational and staff wellbeing challenges that arose from the Coronavirus pandemic.

Despite the COVID-19 restrictions, OTSI was able to safely deliver all services, including deployments to incidents and accidents, during the year. We received and triaged 1,139 reports of notifiable safety occurrences (down from 1,406 in the previous financial year), and our investigators deployed to 15 incidents. We completed 12 investigations during the year and reports on our findings were shared with a range of stakeholders to ensure those safety insights are in the hands of the people who can best action them to improve safety.

Of note is the fact that five reports we released in 2021-22 related to bus fires, one being our annual Bus Fires in NSW summary, and during the year we initiated another three investigations into incidents where the vehicle was destroyed by fire. We are analysing this issue more closely and will introduce additional initiatives in 2022-23 to take a deeper look and work with the bus and coach sector to identify practical insights that can assist in preventing fires and reducing precursor thermal events.

During 2021-22, OTSI received considerable support from many different organisations and individuals to carry out its functions. I would especially like to acknowledge the cooperation of rail, bus and ferry operators in the course of our investigations. Their assistance has made our task much easier and helps ensure we can deliver practical outcomes that will assist in making the transport network safer for all.

Finally, I extend my thanks to the OTSI team. The challenges they faced during the year were immense and I applaud the resilience and determination they demonstrated to deliver on what we set out to do.

In the year ahead, we will continue our focus on maximising OTSI's value to the transport sector and the community.



Dr Natalie E Pelham
CEO & Chief Investigator
PhD, M Soc Sci, BSC(Hons)

About us

The Office of Transport Safety Investigations (OTSI) was established on 1 January 2004 as a separate division within the Independent Transport Safety and Reliability Regulator (ITSRR) to investigate and report on rail, bus and ferry safety incidents in NSW.

In response to the recommendations of the Special Commission of Inquiry into the Waterfall Rail Accident, the NSW Parliament passed the *Transport Legislation Amendment (Waterfall Rail Inquiry Recommendations) Bill 2005* which removed OTSI from ITSRR and created the Chief Investigator as a statutory position reporting directly to the Minister for Transport. OTSI began operating independently on 1 July 2005.

The separation of OTSI was designed to reinforce the independence of the Chief Investigator, and to give the travelling public and the transport sector confidence in the safety of the NSW transport network and OTSI's work in undertaking investigations in a fair, impartial and rigorous manner to identify safety actions and improvements.

The *Transport Administration Act 1988* empowers the Chief Investigator to conduct investigations into rail, bus and ferry accidents and incidents in accordance with the provisions of the *Passenger Transport Act 1990* and the *Marine Safety Act 1998*. Since 2013, OTSI has also undertaken some of its rail investigations in accordance with the provisions of the *Transport Safety Investigation Act 2003* on behalf of the Australian Transport Safety Bureau (ATSB) under a Collaboration Agreement.



Investigation into a runaway and derailment of banking locomotives at Kankool, NSW

Aims and objectives

OTSI contributes to the safe operation of public transport and rail freight services in NSW by investigating safety issues on our transport networks and sharing insights that could prevent recurrence. We use a 'no-blame' approach to understand why incidents occur and identify associated safety factors to make recommendations or highlight actions that transport operators and other stakeholders can take to improve network safety.

To achieve these outcomes, OTSI provides the following services and functions:

- A 24-hour on-call duty officer to receive reports of notifiable incidents from NSW rail, bus and ferry operators and regulators. Notifications of serious (Category A) rail accidents and incidents are provided to OTSI by the ATSB via the Office of the National Rail Safety Regulator (ONRSR), in accordance with the provisions of the *Rail Safety National Law (NSW)*, and the Collaboration Agreement.
- A 24-hour investigation response capability to deploy to transport accident and incident sites across NSW.
- A team of transport safety investigators with cross-modal expertise to undertake rail, bus and ferry investigations. We undertake investigations into standalone incidents as well as 'systemic' investigations which focus on systems issues, often identified through safety trend analysis. OTSI also carries out 'programmed' investigations into areas identified as requiring ongoing monitoring and reporting (for example, OTSI's annual Bus Fires in NSW report).
- Review of operator investigations and other reports to identify and share safety insights.
- The Confidential Safety Information Reporting Scheme (CSIRS), a voluntary, confidential and non-punitive mechanism to enable transport employees to report matters which they believe are affecting the safe operation of bus, ferry or rail passenger services.
- Data collection and analysis to identify systemic safety risks and undertaking research to better understand safety risks, to support investigative functions and to assist in making more informed decisions.
- Ongoing engagement with operators, regulators and industry bodies and other stakeholders with an interest in transport safety. This includes sharing investigation reports, Safety Alerts and Safety Advisories, participating in industry events and collaborative forums, and building partnerships with public and private transport providers to strengthen transport safety across the network.

Our business operating model

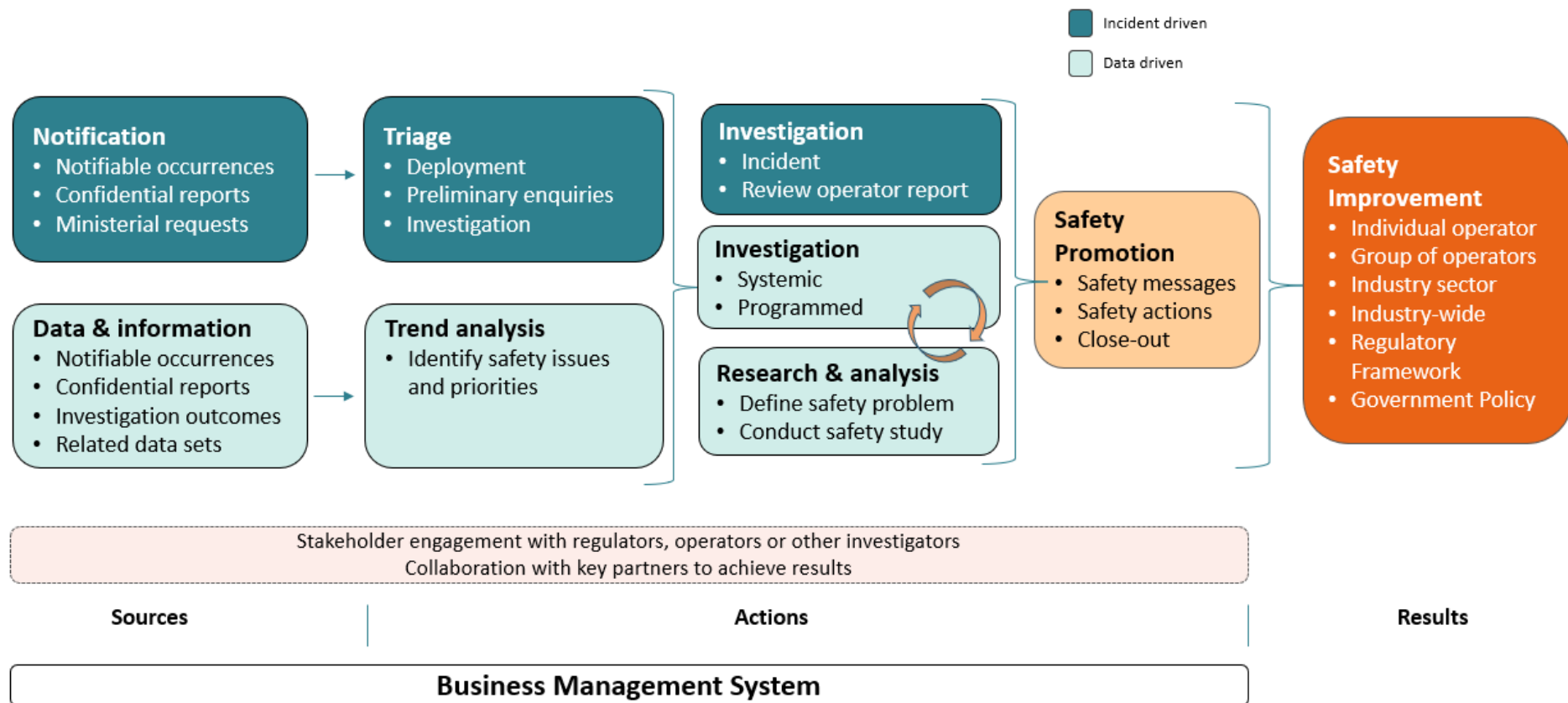
2021-22 was a milestone year for OTSI with the development and implementation of a revised operating model in line with its legislative functions.

The reform was made to enhance OTSI's ability to support safety improvement on the NSW bus, ferry and rail networks by strengthening the existing incident-driven stream of investigative work and building a proactive, data-driven stream, supported by a safety promotion function and an enhanced business management system.

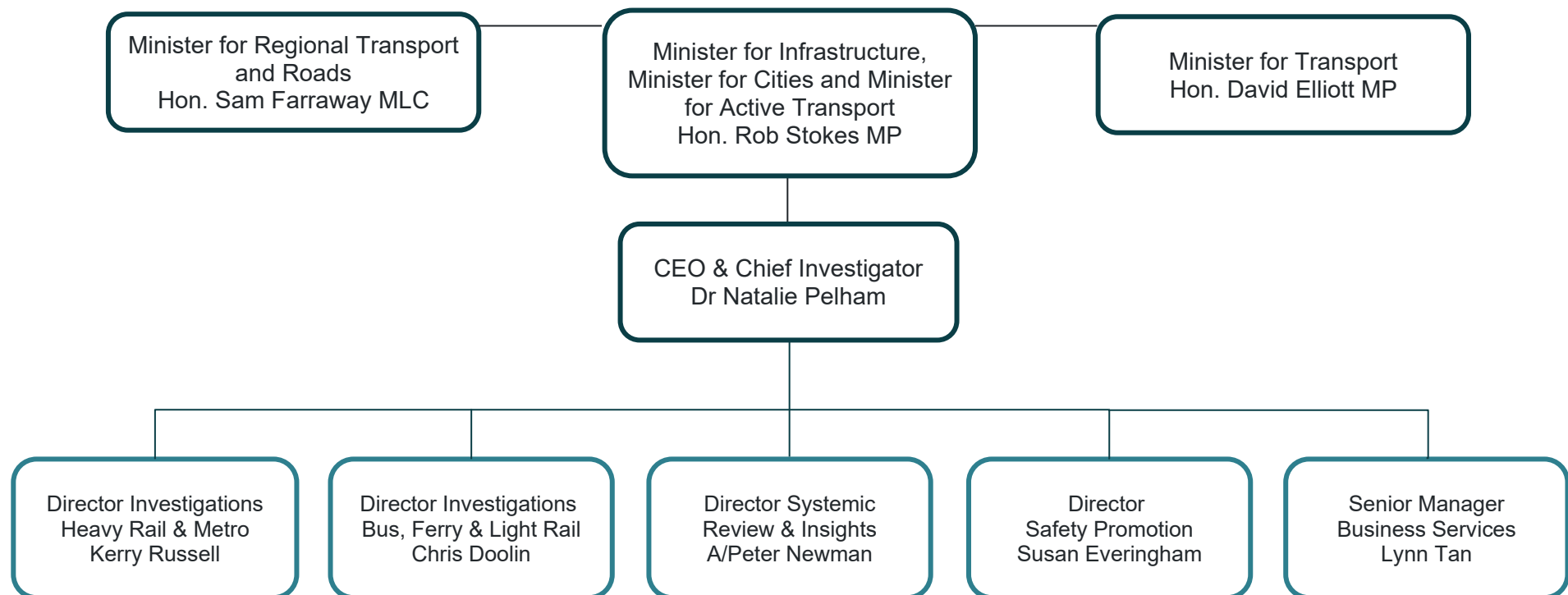
The new operating model was introduced in February 2022 and enables OTSI to continue to undertake robust investigations into transport safety incidents while also:

- Developing a proactive data-driven workstream for investigations, including programmed investigations into known risks
- Building partnerships with public and private transport providers to strengthen transport safety
- Implementing a safety promotion strategy to enhance the sharing of safety lessons and better support industry and government to achieve safety improvement
- Strengthening our systems approach to transport safety investigation and analysis.

OTSI business operating model



High level structure



Our team

With the implementation of OTSI's revised business operating model, a new functional model and organisational structure were established. As a result, new teams were created, and the size of our team increased from 12 people in 2021 to 26 at the end of June 2022.

Business Services

Business Services is one of the newly established functions under the revised business operating model. The team manages the business services function and provides support to the CEO and other business units. It leads OTSI's corporate service governance and assurance including quality improvement, process development and business system implementation. Business Services is responsible for:

- financial management and governance
- human resources
- procurement and contracts management
- corporate governance & assurance
- information and records management
- IT program/projects management
- security and facilities
- learning and development.

Investigations

The Investigations team has grown its capability into two streams: heavy rail and metro; and bus, ferry and light rail. These streams are responsible for:

- providing a 24/7 on-call duty and serious incident site deployment capability
- triaging notifiable occurrences and collecting incident data
- conducting preliminary investigations into reported occurrences
- undertaking incident investigations under the NSW *Passenger Transport Act 1990* and under the *Transport Investigation Act 2003* (Cth) on behalf of the ATSB, via the Collaboration Agreement
- reviewing operator investigation reports to assess effectiveness and to identify safety lessons to share
- conducting no-blame incident investigations to examine contributing factors and opportunities for safety improvement
- conducting systemic investigations to examine organisational influences on safety
- investigating confidential safety concerns reported by industry through the Confidential Safety Information Reporting Scheme (CSIRS)
- producing investigation reports ranging from a short investigation through to major investigations with recommendations and actions to improve safety.

Safety Promotion

The Safety Promotion team leads the development and delivery of OTSI's strategy for education and awareness initiatives on safety issues and priorities across rail, bus and ferry. It also coordinates the setting of OTSI's strategic directions through corporate planning and performance processes.

The team is responsible for:

- communicating safety information to stakeholders and the community
- developing and managing industry partnerships
- stakeholder engagement strategy
- corporate strategy, business planning, performance, reporting and enterprise risk management
- brand management
- internal communication
- issues management
- managing OTSI's digital presence (website and LinkedIn).

Systemic Review and Insights

The Systemic Review and Insights team provides reliable and quality data from the rail, bus and ferry sectors to identify safety issues and priorities, enhance OTSI's investigative and safety promotion functions and develop useful insights that will improve safety outcomes across the transport network.

The team is responsible for:

- providing reliable and accurate bus, ferry and rail safety data sets to support OTSI's decision-making
- analysing data sets to identify emerging safety issues and trends and priorities
- developing and maintaining OTSI's data strategy and governance
- working with the Investigations team to identify and plan systemic and programmed investigations
- undertaking research on a range of safety issues identified from data insights to support OTSI's investigative and safety promotion functions
- producing data and research reports such as monthly data reports and, in future, industry safety reports.

Operational performance

2021-22 priorities and achievements

Each year, in addition to ‘business as usual’ services, programs and activities, OTSI identifies key priorities to deliver throughout the year. For 2021-22, we focused on six key organisational priorities which were outlined in the OTSI 2021-2024 Strategic Business Plan.

Augmenting our resources and skills

OTSI adopted its new revised operating model in early 2021-22. Following a consultation process with staff and unions in September-October 2021, a new organisational structure took effect in February 2022.

Three new investigators were recruited during the year to expand our investigations capability. New leadership roles in Investigations, Business Services and Safety Promotion were also recruited along with communications and engagement, and business management specialists.

Enhancing our use of data

We undertook several projects during the year with a key focus on improving the reliability and accuracy of OTSI intelligence through work on data cleansing and classification of investigation outcomes, CSIRS reports, operator reports and occurrences.

Development of a data governance strategy began in late 2021-22 and will be completed in early 2022-23.

We also progressed work on improving the current system used to manage notification, investigation, and confidential reports data to make it more useable and give it greater functionality.

Engagement with other holders of key transport data sets, including Transport for NSW, ONRSR, the National Heavy Vehicle Regulator (NHVR), AMSA and the ATSB, delivered improvements in OTSI’s timely access to data on safety occurrences and valuable insights that will support the further development of OTSI’s data collection and analysis capability.

Expanding safety promotion

A safety promotion strategy was implemented in early 2021-22 with the objective of raising visibility of OTSI’s work within the transport sector to encourage action to improve safety.

Key activities undertaken during the year included introducing standard approaches for communicating with stakeholders about the initiation and completion of investigations and the release of Safety Alerts and Advisories, commencing a redevelopment of the OTSI website to improve its useability (to be completed in 2022-23), and launching a corporate LinkedIn presence to share news and safety lessons with stakeholders.

OTSI proactively increased its involvement in various bus, rail and maritime industry forums throughout the year in an effort to raise awareness about our role and the products and insights we have available to support safety improvement.

Ramping up OTSI’s participation in transport sector events was also a major focus and our CEO and Chief Investigator Dr Natalie Pelham and other leaders presented at several industry

conferences and seminars during the year including the BusNSW Rural and Regional Seminars, National Roads & Traffic Expo, RISSB Rail Safety Conference, AMSA Passenger Safety Seminars, and the RTAA Rail Industry Field Days.

OTSI also had an exhibition presence at the Field Days for the first time and will be expanding its involvement in similar events in future.

Financial sustainability

A revised 5-year budget allocation for OTSI was confirmed during the year and actions taken to implement an enhanced financial monitoring and reporting framework to support business delivery and financial sustainability.

A number of enterprise system integration projects are under development for implementation in 2022-23 to enhance our financial management and governance functions.

During 2021-22, OTSI's financial delegation manual was revised, and enhanced arrangements were introduced to enable the leadership team to effectively monitor the agency's expenditure and financial position and ensure operation within our budget allocation.

An interim corporate planning framework was developed and implemented in July 2021 and a Strategic Plan produced for 2021-2024. Another phase of strategic business planning was held late in 2021-22 following the introduction of a new organisational structure in February 2022 and a revised Strategic Plan was completed for 2022-2025, along with a suite of annual initiatives for delivery in 2022-23.

Preliminary work was undertaken on establishing a performance measurement and reporting framework and will be finalised in 2022-23. A new enterprise risk register was developed in late 2021.

Implementing a program of systemic reviews

The new Systemic Review and Insights function was established during the year to begin building OTSI's capacity and capability to use data to program investigations into known safety risks and conduct more 'deep dive' systemic investigations.

In 2021-22, we launched two new systemic investigations:

- Bus rollaways in NSW – this investigation was initiated in January 2022 following OTSI's review of recent incidents and the findings of past investigations into incidents at Hurstville (2016) and Oatley (2017) which indicated that safety benefits could be gained from investigating bus rollaway events from a systemic perspective, rather than as several isolated incidents and accidents.
- Rail worksite protection in NSW – this investigation began in April 2022 following a review of investigations into worksite protection incidents and reported occurrences across NSW. The investigation will examine multiple areas – including the common causal pathways to worksite protection incidents, and patterns of incidents specifically related to particular planning phases or types of protection – with the aim of making recommendations for safety improvements to be adopted industry-wide. It will build on work already conducted in this area by RISSB and ONRSR.

Building relationships with our partners

OTSI is committed to proactively and productively engaging with the transport sector to enhance the safety of network operations, while maintaining our independent statutory authority status.

As part of the strategic planning process, we sought anonymous feedback from a sample of key stakeholders representing the transport safety sector to gather candid views about OTSI's focus, performance and engagement approach. The feedback indicated strong support for OTSI's new directions, demand for more safety information, and a desire for increased engagement outside of the formal investigation process.

During the year we established several ongoing collaborative forums including those with BusNSW, AMSA, Port Authority of NSW, the NHVR, RISSB, and Transport for NSW. This work will expand further in 2022-23.

We have continued to strengthen our partnership with the ATSB and the Chief Investigator, Transport Safety Victoria with whom a Collaboration Agreement has been in place since 2013. The collaboration helps to enhance safety outcomes through the exchange of expertise and information on incident response procedures, investigation management and safety promotion; the provision of access to specialist technical expertise; and training (Diploma of Transport Safety Investigation).



OTSI Senior Investigators Reiner Mangulabnan, Matt Manchester and Marty Meles with Communications and Engagement Manager Jade To at the RTAA Rail Industry Field Days in May 2022

Investigation summary

Throughout the reporting year, the OTSI undertook the following key activities:

Notifications and deployments

- Received and assessed **1,139** rail, bus and ferry incident notifications
- Deployed to site on **15** occasions to conduct preliminary incident investigations
- Initiated **12** investigations into rail, bus and ferry accidents and incidents

Bus	Rail	Ferry
 809 notifications 5 deployments 4 investigations	 189 notifications 10 deployments 7 investigations	 141 notifications 0 deployments 1 investigation

Published reports and advisories

Published **12** investigation reports to share findings with operators and stakeholders which resulted in:



- 12** safety recommendations made,
- 38** preventative safety actions proposed
- 5** Safety Advisories issued by OTSI on immediate identified safety issues

Confidential Safety Information Reporting Scheme (CSIRS)

Received and assessed **10** report notifications through the confidential reporting system which resulted in:



- 7** investigations into reports of safety concerns raised by transport employees
- 2** CSIRS Outcome Reports published (de-identified) where OTSI determined that the information on safety matters raised would benefit other industry stakeholders

Operator reports

OTSI requests reports from transport operators on certain incidents to increase our understanding and potentially identify safety insights that could be shared with other operators to enhance network safety in NSW



- 42** operator reports were requested and reviewed

Ministerial requests/directives

The Minister for Transport requested advice from OTSI on a Review of Transport Asset Holding Authority (TAHE) Safety Governance and issued a direction to initiate an investigation into Sydney Light Rail Vehicles underframe structural fractures

Annual statistics

1 July 2021 - 30 June 2022

Table A: Incident reports received by the OTSI duty officer

MODE	
Rail	189
Bus	809
Ferry	141
Total	1139

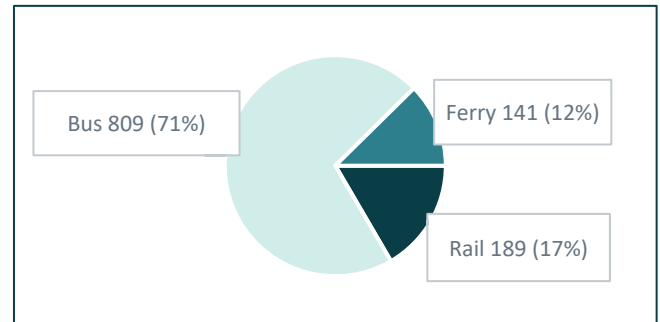


Table B: Deployments by OTSI investigators

Incident date	Mode	Description
16-Aug-21	Bus	Campbelltown bus fire
29-Sep-21	Rail	Togar level crossing collision
20-Oct-21	Rail	Kembla Grange level crossing collision and derailment
29-Oct-21	Rail	Sydney Light Rail Vehicles underframe structural fractures
24-Nov-21	Rail	Woy Woy H Set active level crossing collision
05-Jan-22	Rail	Werris Creek banking locomotives collision
15-Jan-22	Rail	Bethungra derailment
22-Jan-22	Rail	Yass Junction collision
17-Mar-22	Rail	Casino derailment
24-Mar-22	Bus	Tempe bus pedestrian collision
14-Apr-22	Bus	Lane Cove Tunnel bus fire
12-May-22	Rail	Glenfield rail collision
16-May-22	Bus	West Pennant Hills bus thermal
31-May-22	Rail	Kyogle derailment
24-Jun-22	Bus	Berrima bus fire

Table C: Investigations initiated

TSI denotes investigations performed under the *Transport Safety Investigations Act 2003 (Cth)* on behalf of the ATSB

Date initiated	Description
20-Aug-21	Campbelltown bus fire
20-Oct-21	TSI - Kembla Grange level crossing collision and derailment
03-Nov-21	Sydney Light Rail Vehicles underframe structural fractures*
18-Jan-22	TSI - Bethungra derailment
07-Jan-22	TSI - Werris Creek banking locomotives collision
13-Jan-22	Bus rollaways and potential engineering controls
10-Feb-22	Sydney Harbour John Cadman 3 – Rockfish 3 collision
18-Feb-22	Camperdown bus fire
18-Mar-22	TSI – Casino derailment
14-Apr-22	Systemic investigation – rail worksite protection
13-May-22	Lane Cove Tunnel bus fire
09-Jun-22	TSI Kyogle derailment of freight train 2BS4

*This investigation was initiated on the direction of the Minister for Transport

Table D: Investigations finalised/published

Incident date	Description	Date published
23-Jul-20	TSI – Loftus out of gauge door collision	20-Jul-21
27-Nov-17	Surry Hills bus fire	02-Aug-21
03-Sep-18	Tongarra bus fire	02-Aug-21
19-Sep-19	Heatherbrae coach fire	02-Aug-21
15-Sep-20	Zig Zag safe working irregularity	01-Sep-21
16-Oct-19	TSI - Westmead safe working irregularity	20-Dec-21
13-Oct-20	TSI - Yerrinbool defective bearing	20-Jan-22
03-Jun-20	Uncontrolled runaway and derailment of banking locomotives at Kankool	01-Feb-22
29-Jun-21	Incorrect placement of worksite protection and near hit with worker at Otford	22-Feb-22
11-Jan-21	Glebe bus fire	18-Mar-22
29-Jul-20	TSI - Kooragang coal train collision and derailment	04-Apr-22
01-Jan-21	Bus Fires in New South Wales 2021	29-Apr-22

Table E: Investigations discontinued

Incident date	Description	Date discontinued
4-Jan-21	Cordeaux Heights driver incapacitation	14-Jan-22

Investigations may be discontinued where, after making initial inquiries or reviewing an operator's investigation report, it is determined there is limited potential for identifying additional system safety issues that may enhance transport safety

Table F: Safety Alerts and Safety Advisories published

Date published	Description
09-Aug-21	Safety Advisory - Light Rail Vehicle (LRV) pantograph failure
31-Aug-21	Safety Advisory - Domestic commercial vessel (DCV) steering systems
05-Nov-21	Safety Advisory - Risk of air conditioning system electrical fires on buses
29-Mar-22	Safety Advisory - Safety critical communications by rail safety workers
27-Jun-22	Safety Advisory - Unknown functions in locomotive braking systems

Table G: Confidential Safety Information Reporting Scheme (CSIRS) reports received

Date Reported	Description
07-Jul-21	Ferry 'Friendship' not operating in survey
05-Oct-21	River class vessels power spikes causing problems with control units
02-Dec-21	Train crew entering danger zone
07-Dec-21	North coast platform guard's indicator lights
25-Feb-22	Falconbridge level crossing report
10-Apr-22	Safety issues Transdev Sydney Ferries
28-Jun-22	Train crew fatigue on Grafton to Brisbane corridor

Table H: CSIRS outcome reports published

Date published	Description
25-May-21	Return of safeworking certification
14-May-21	Incident rail commander safe working qualifications

Table I: Ministerial requests

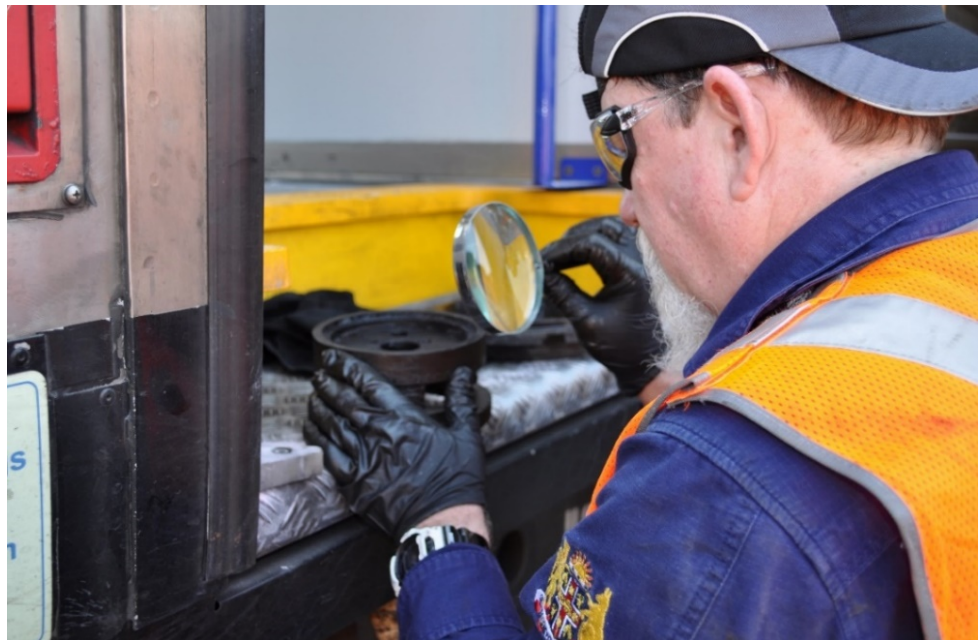
Date delivered	Description
18-Oct-21	Review of Transport Asset Holding Authority (TAHE) Safety Governance



OTSI Senior Investigator David Pearson on an incident deployment in the NSW snowfields



A bus fire at Campbelltown was subject to an OTSI investigation launched in August 2021



OTSI Senior Investigator Steve Andriske examines a damaged bearing on NSW Trains rollingstock at Eveleigh as part of the investigation into the Yerrinbool TrainLink Endeavour pass train incident

Financial reporting

Financial reports

For financial year ended 30 June 2022, OTSI was exempt from *Public Finance and Audit Act 1983* (PFAA) financial reporting because it met all the requirements for a 'small agency' exemption under clause 3 of Schedule 2 of the *Public Finance and Audit Regulation 2015*.

Accordingly, as OTSI has no PFAA financial reporting obligations, it is not required to include a full financial report in its annual report.

In 2021-22, OTSI received grants and contributions of \$4.6 million.

The net result showed a deficit of \$48,150, however OTSI continues to receive financial assurance from Transport for NSW to ensure it remains operational.

There were no economic or other factors affecting OTSI's operational objectives in 2021-22.



Letter of Certification

**To the Chief Investigator, Office of Transport Safety Investigations
Copied to NSW Treasury**

For the Financial Year 2021-22

Expression of opinion as to the effectiveness of internal controls over financial information

I, Lynn Tan, Senior Manager, Business Services OTSI acknowledge my responsibility for the design, implementation and operation of internal control systems over the agency's financial information.

- a) I certify that, to the best of my knowledge and belief and having undertaken the relevant processes, Office of Transport Safety Investigations had an effective system of internal control to ensure that financial information presenting the financial position and performance of the agency is true and fair in all material respects.

Lynn Tan

A handwritten signature in black ink, appearing to read 'Lynn Tan', is written over a horizontal line.

Senior Manager Business Services OTSI

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Financial summary

An unaudited summary of OTSI's financial performance is provided as follows:

Summary of financial performance for the year ended 30 June 2022

	Actual 2022 \$'000	Actual 2021 \$'000
Expenses excluding losses		
Operating expenses		
Employee related expenses	3,669	2,110
Personnel service expense	19	23
Other operating expenses	524	555
Depreciation	402	387
Finance costs	52	53
Total expenses excluding losses	4,666	3,128
Revenue		
Grants and contributions	4,096	2,998
Acceptance by the Crown Entity of employee benefits and other liabilities	522	19
Total revenue	4,618	3,017
Net result	(48)	(111)
Total other comprehensive income	-	-
Total comprehensive income	(48)	(111)

Outstanding invoices by age at the end of each quarter

Measure	2021-22 Quarter average	Q1	Q2	Q3	Q4
Current (i.e., within due date)	0.00 M	0.00 M	0.00 M	0.00 M	0.00 M
Less than 30 days overdue	0.00 M	0.00 M	0.00 M	0.00 M	0.00 M
Between 31 and 60 days overdue	0.00 M	0.00 M	0.00 M	0.00 M	0.00 M
Between 61 and 90 days overdue	0.00 M	0.00 M	0.00 M	0.00 M	0.00 M
More than 90 days overdue	0.00 M	0.00 M	0.00 M	0.00 M	0.00 M

Accounts paid on time within each quarter

Measure	2021-22	Q1	Q2	Q3	Q4
Suppliers					
Number of accounts due for payment	199	49	48	41	61
Number of accounts paid on time	199	49	48	41	61
Target % accounts paid on time	100.00%	100.00%	100.00%	100.00%	100.00%
Actual % accounts paid on time	100%	100%	100.00%	100.00%	100.00%
\$ number of accounts due for payment	1.37M	0.37 M	0.27M	0.27 M	0.46 M
\$ number of accounts paid on time	1.37 M	0.37 M	0.27 M	0.27 M	0.46 M
Actual % accounts paid on time (based on \$)	100.00%	100.00%	100.00%	100.00%	100.00%
Number of payments for interest	-	-	-	-	-
Interest paid on overdue accounts	-	-	-	-	-

Major works in progress

Office refurbishment

OTSI's head office is located at Level 17, 201 Elizabeth Street, Sydney. As a result of the organisation's expansion, the existing facilities require an upgrade to accommodate the increased number of staff and to provide a contemporary work environment.

OTSI engaged Transport for NSW to manage the design and delivery of the office refurbishment works. This project is in progress and is due for completion in November 2022.

Engagements

OTSI engaged the following professional services resources during 2021-22:

- SpencerMaurice – corporate policy development (\$127,300)
- SpencerMaurice – business management system development (\$84,600)
- McCullough Robertson Lawyers – reviews of delegations and investigations manual and provision of legal advice to support investigation and business system development (\$45,045).

Procurement

Procurement of major purchases is managed through Transport for NSW under their financial management systems and processes.

For minor purchases, Transport for NSW issues OTSI staff with Purchasing Cards (P-Cards) which are used for eligible approved business purposes. Use of these cards is subject to conditions and policies of OTSI, Transport for NSW and NSW Treasury. The authorisation and reconciliation of transactions is performed online using the Expense8 application.

Overseas travel

No overseas travel was undertaken in 2021-22.

Grants to non-government organisations

There were no grants to non-government organisations.

List of major assets and land disposal

OTSI has no major assets to report against and does not have any land to dispose of.

Research and development

No research and development activities were undertaken in 2021-22.

Management and accountability

Statutory reporting requirements

Principal legislation

OTSI exercises functions under the:

- *Transport Administration Act 1988*
- *Transport Safety Investigation Act 2003 (Cth)*
- *Passenger Transport Act 1990*
- *Rail Safety Act (Adoption of National Law) 2012*
- *Marine Safety Act 1998*
- Regulations made under those Acts.

There were no changes in the Acts or subordinate legislation.

Internal audit and risk management policy

OTSI is committed to identifying and effectively managing risks to its operations. Our Corporate Risk Management Policy establishes the principles that enable us to proactively integrate risk management into all of OTSI's policies, procedures and practices while maintaining consistency in the methods used to identify, assess, monitor and communicate risks across the organisation.

In May 2016, OTSI was granted an exemption from the requirements of Treasury Policy TPP 15-03 - Internal Audit and Risk Management (Policy) due to having met the Small Agency Exemption eligibility criteria. However, with changes made to the exemption definitions in the revised policy, TPP20-08 Internal Audit and Risk Management Policy for the General Government Sector, OTSI will seek formal extension of its previous exemption for 2022-23.

To ensure OTSI remains compliant with its core requirements under the policy, OTSI utilises an internal auditor to provide management with independent and objective advice to improve its operations.

Risk management and insurance activities

OTSI conducts regular reviews of its corporate risk management policies and its risks and controls.

OTSI has insurance cover for all major assets and significant risks through the NSW Government Self Insurance scheme. This includes full workers compensation, motor vehicle, property, public liability and miscellaneous insurance cover. No claims were lodged in 2021-22.

Reporting obligations under the Government Information Public Access Act 2009 (GIPA)

Review of proactive release program - Clause 7(a)

Under section 7 of the GIPA Act, agencies must review their programs for the release of government information to identify the kinds of information that can be made publicly available.

OTSI has an ongoing and proactive process and communications function which regularly reviews information for public release through its website, publications and stakeholder events. Reviews during the year to its website reflect any changes within OTSI as well as aligning it with legislative changes under the GIPA Act.

Number of access applications received - Clause 7(b)

During the reporting period, OTSI received no formal access applications.

Number of refused applications for Schedule 1 information - Clause 7(c)

OTSI did not refuse, either wholly or partly, any access applications for the reason that it addressed information referred to in Schedule 1 of the Act (information for which there is conclusive presumption of overriding public interest against disclosure).

Reporting obligations under the Public Interest Disclosures Act 1994

The *Public Interest Disclosure Act 1994*, Section 31, requires each public authority to prepare an annual report on obligations under the Act. In accordance with Section 4 of the Public Interest Disclosures Regulation 2011, the following information is provided on public interest disclosures for the period 1 July 2021 to 30 June 2022.

July 2021 - June 2022

Number of public officials who made Public Interest Disclosures (PIDs)	0
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Number of PIDs received	0
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Records management

Section 12 (2) of the *State Records Act 1998* (NSW) requires OTSI to ensure that a compliant records management program is established and maintained.

OTSI has established a framework for compliant records and information management to manage the lifecycle of records and information from creation/collection/capture to use and maintenance through to archive and disposal.

Privacy and Personal Information Protection Act 1998

OTSI is mindful of its obligations under the PIPA Act and in accordance with section 33 of the *Privacy and Personal Information Protection Act 1998 (NSW)* (PIIP Act). OTSI has a Privacy Management Plan in place and is committed to protecting the privacy of its staff and customers by creating a strong culture of privacy compliance and good practice.

Cyber Security Policy Attestation

As required under the NSW Government policy on Cyber Security, the Chief Investigator provides the following attestation of compliance with the policy. OTSI's IT system is provided by Transport for NSW which manages our Cyber Security and also provides us with an annual IT for transport internal controls attestation FY2021-2022

Cyber Security Annual Attestation Statement for the 2021-22 Financial Year for the Office of Transport Safety Investigations

I, Natalie Pelham, am of the opinion that The Office of Transport Safety Investigations (OTSI) has managed cyber security risks in a manner consistent with the Mandatory Requirements set out in the NSW Government Cyber Security Policy.

Governance is in place to manage the cyber security maturity and initiatives of OTSI.

Risks to the information and systems of OTSI have been assessed and are managed.

OTSI has an Information Security Management System (ISMS) or Cyber Security Framework (CSF) in place.



Dr Natalie E Pelham
CEO & Chief Investigator

Response to significant issues raised by the Auditor-General

No significant issues for OTSI were raised by the Auditor General during 2021-22.

Consumer response

No significant customer complaints were received in 2021-22.

During the year, we introduced a revised Customer Complaints and Feedback Policy which established principles to enable OTSI to respond appropriately to customer complaints and feedback, and also to use the insights generated to help inform continuous improvement in our organisation.

Human resources

In line with our new business operating model, OTSI expanded its workforce to 26 employees as of 30 June 2022, an increase in 12 positions from 2020-21.

During the year, OTSI recruited four senior executives to lead the Investigations, Safety Promotion and Business Services functions, and expanded its investigative capability with the addition of three new Senior Investigators. In addition, specialists in business management, communications and engagement were also recruited to deliver the organisation's expanded functions.

Staffing

Our workforce					
	Full time	Fixed term	Contract	Graduate	Total
2021-22	21	0	3	2	26
2020-21	9	1	1	1	12

Diversity and inclusion

OTSI recognises that competent service delivery requires us to understand diversity, to promote it, to reflect it and to draw on it. Diversity of people, languages, backgrounds, education and opinions is considered a valuable resource which is available to our staff.

OTSI supports the principles of multiculturalism and is aligned to the broad direction of the *Multicultural NSW Act 2000* (the Act). In line with these principles OTSI continued with the following activities during 2021-22:

- Ensured its recruitment practices were merit-based and not disadvantageous to any specific cultural group
- Ensured that discrimination was not tolerated in any behaviour or practice in relation to OTSI
- Took into consideration cultural needs of our staff and stakeholders in our training and communication activities.

Diversity	% of total staff				
EEO group	Benchmark or target	2022	2021	2020	2019
Women	50%	52%	33%	9%	9%
Aboriginal and Torres Strait Islander people	2%	0	0	0	0
People whose first language was not English	30%	22%	0	0	0
People with a disability	12%	0	0	0	0

Employment arrangements

During 2021-22 the employee salaries, wages and allowances for OTSI's full-time employees were covered under the following agreements:

- 12 employees had salaries, wages and allowances paid in accordance with the Transport for New South Wales and Sydney Metro Salaries and Conditions of Employment Award.
- 9 employees remained on their pre-existing common law contract agreements with their salaries benchmarked against the Department of Transport Officers Employment Conditions Agreement No.2548 of 1998.

OTSI staffing profile and related salaries

	2021-22			2020-21			2019-20			2018-19		
	Total count			Total count			Total count			Total count		
Annual Salary	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
< \$57,000	0	0	0	0	0	0	0	0	0	0	0	0
\$57,000 - \$86,000	1	1	2	0	1	1	0	0	0	0	0	0
\$86,001 - \$112,000	0	2	2	0	1	1	0	1	0	0	1	1
\$112,001 - \$130,000	0	2	2	0	0	0	0	0	0	0	0	0
\$130,001 - \$155,000	3	2	5	7	0	7	8	0	8	9	0	9
\$155,001 - \$180,000	5	0	5	0	0	0	0	0	0	0	0	0
\$180,001 - \$274,000	1	3	4	1	1	2	1	0	1	1	0	1
\$274,001 - \$350,000	0	1	1	0	1	1	1	0	1	1	0	1
TOTAL	10	11	21	8	4	12	10	1	11	11	1	12

Senior executive reporting

Executive band	2022		2021		2020	
	Female	Male	Female	Male	Female	Male
Executive Band 2 (Chief Investigator)	1	0	1	0	0	1
Band 1 (Directors)	3	1	1	1	0	1
Total	4	1	2	1	0	2

Executive average remuneration			
Band	Range	2022	2021
Band 2	\$287,201 to \$361,300	323,812	345,550
Band 1	\$201,350 to \$287,200	229,782	273,849

Executive year to date represents 27.4 per cent of overall salaries related expenses for 2021-22 (29.3 per cent in 2020-21)

Work health and safety

OTSI is mindful of its obligations under the *Work Health and Safety Act 2011* and provides a framework to protect the health, safety and welfare of all its workers.

Assessments of operational risks are made at regular staff meetings and appropriate measures are implemented to protect the health and safety of all workers. OTSI focuses on:

- Ensuring the safe use and handling of goods and substances
- Providing and maintaining safe tools and work gear
- Assessing the workplace layout and providing safe systems of work
- Providing a suitable working environment and facilities
- Having adequate insurance and workers compensation insurance for all employees.

In 2021-22, OTSI continued to follow advice from NSW Health in response to the Coronavirus pandemic. To protect the health and wellbeing of OTSI staff and visitors to its premises, our COVID-19 Safety Plan was reviewed regularly to help minimise the risk of spreading the virus within the Elizabeth Street office.

OTSI provided staff with regular communications on COVID-19 measures and impacts (including mental health) through weekly all-staff meetings as well as through ongoing email updates from the Chief Investigator.

Contact details

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Email:

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General enquiries and GIPA requests: info@otsi.nsw.gov.au
Communications and media enquiries: engagement@otsi.nsw.gov.au

Telephone:

General enquiries: 1800 180 528
Incident reporting: 1800 677 766
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