



Presented by Mr Graham
First Reading, printed

Clerk of Parliaments

20/2/2025

TRANSPORT ADMINISTRATION AMENDMENT (SYDNEY METRO GOVERNANCE) BILL
2025

STATEMENT OF PUBLIC INTEREST

Need: Why is the policy needed based on factual evidence and stakeholder input?

Sydney Metro was established as a NSW Government agency in 2018 under the *Transport Administration Act 1988*. Under the current statutory provisions, the Sydney Metro Board is responsible for determining policies and giving directions and exercising employer functions in respect of the Chief Executive. The Bill proposes the dissolution of the existing governing Board and the creation of an Advisory Board. It also provides for the Minister to directly appoint the Chief Executive. The proposed changes to Sydney Metro's governance framework reflect the organisation's ongoing evolution from developer of the metro network to service provider and long term asset manager.

Objectives: What is the policy's objective couched in terms of the public interest?

The reforms proposed will give Government more direct oversight of Sydney Metro's performance, as well as emerging issues and risks, and enable the agency to respond directly to Ministerial and government directions and priorities. The reforms will improve consistency of governance frameworks across the Transport portfolio. The proposed reforms also build on the insights from the Independent Review of Sydney Metro undertaken in 2023.

Options: What alternative policies and mechanisms were considered in advance of the bill?

Consideration was given to retaining the existing Sydney Metro Board and having the Chief Executive continue to report directly to the Board, rather than the Minister. The continuation of the existing Sydney Metro governance framework was not seen as appropriate as the organisation evolves into its next phase of operation. This is because of the need to ensure Sydney Metro services are fully integrated into the Transport network as a whole.

Analysis: What were the pros/cons and benefits/costs of each option considered?

The option of continuing with the existing Sydney Metro governance framework does not appropriately allow for more direct Government oversight of Sydney Metro as it evolves, given its capital program represents one third of the State's overall Transport capital pipeline. The changes contained in the Bill will support Sydney Metro continuing to work with Transport for NSW to establish greater alignment and efficiencies with the Transport-wide governance framework, as appropriate, while continuing to maintain its separate accountabilities to support its objectives and functions.

Pathway: What are the timetable and steps for the policy's rollout and who will administer it?

The reforms are proposed to be implemented on commencement of the amending provisions in the *Transport Administration Act 1988*. The Bill includes savings and transitional provisions to ensure the implementation of the new governance framework happens without disruption to the day-to-day operations of Sydney Metro.

Consultation: Were the views of affected stakeholders sought and considered in making the policy?

Consultation has been undertaken with the Sydney Metro Board and its Chief Executive. Transport for NSW and Sydney Metro will prepare a stakeholder engagement and communications plan to advise stakeholders of the changes to Sydney Metro's governance arrangements.