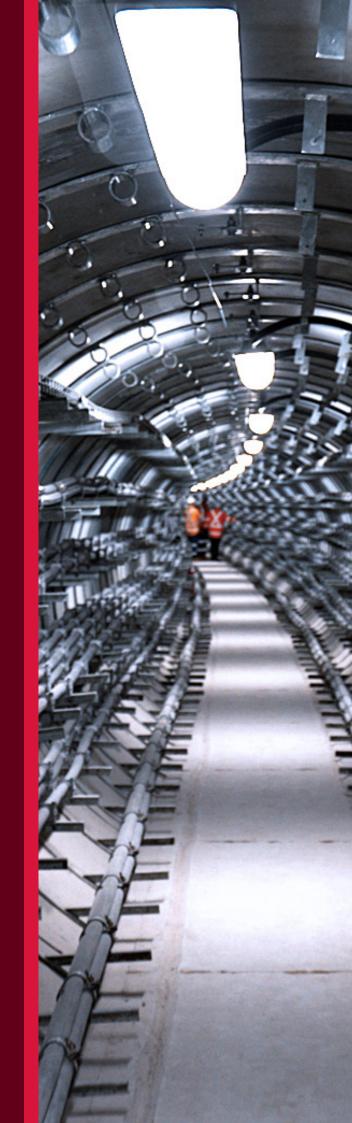
Reform Report 2020-25

Infrastructure Projects and Engineering





Acknowledgement of Country

Transport for NSW acknowledges the traditional custodians of the land on which we work and live.

We pay our respects to Elders past and present and celebrate the diversity of Aboriginal people and their ongoing cultures and connections to the lands and waters of NSW.

Many of the transport routes we use today—from rail lines, to roads, to water crossings—follow the traditional Songlines, trade routes and ceremonial paths in Country that our nation's First Peoples followed for tens of thousands of years.

Transport for NSW is committed to honouring Aboriginal peoples' cultural and spiritual connections to the lands, waters and seas and their rich contribution to society.



The following report reviews the measures we have undertaken in partnership with industry since 2020. It is structured against our four focus areas:

Procurement

Sustainability

Innovation

Workforce

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An Ongoing Commitment

Deputy Secretary's message

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Deputy Secretary's message

Transport for NSW (Transport) has been partnering with the infrastructure industry to harness a once-in-a-generation investment opportunity to change the construction sector for the better; to deliver projects and programs that not only create thriving places which connect communities but are built in a sustainable and responsible way.



At Transport we know we can't do this alone. This is why we need to engage broadly, genuinely, and deeply with industry's best and brightest to ensure we understand the constraints of our thinking and where we need to make the greatest effort to drive change.

As a delivery agency entrusted with of one of the largest pipelines of infrastructure projects in Australia (\$62.9 billion from 2024-28), we have a responsibility and opportunity to use our market position to co-create industry reform that not only ensures our systems and practices meet current demands but are adaptable for an ever-changing market.

Guided by the new NSW Government Principles for Partnership with the Construction Industry, this report details the significant reform that Transport, led by the Infrastructure, Place and Engineering division, has delivered over the past five years. Every reform in this report is either informed by, or co-created with, our industry partners.

Thank you to all our industry and government stakeholders who have contributed to these outcomes. While we have made significant progress, we appreciate there is much more to do and will continue to work with industry to drive positive reform that delivers value to both our project partners and the people of NSW.

Camilla Drover

Deputy Secretary

Infrastructure Projects and Engineering

Industry Engagement and Development (IED)

Transport has a dedicated industry engagement team empowered to work with our infrastructure delivery partners to drive positive change. The team manage the Transport Infrastructure Industry Portal (TIIP), home to the Transport Infrastructure Projects Pipeline (pipeline), resources and information catered to informing our project partners on the latest Transport delivery news. Other key engagement channels and programs the IED team deliver include:

The Industry Affairs program

Working group featuring the Australia Constructors Association, Consult Australia and the Civil Contractors Federation (NSW)

InMotion

Transport's industry conference gathering over 700 industry representatives each year

Bespoke engagement programs

Reflective of the NSW Government and industry priorities such as the Future of Local Manufacturing workshop, Sustainable Infrastructure Program (SIP) and Gateway to Innovate (GTI)

Market Interaction Processes (MIP)

Partnering with project teams to seek industry feedback to help inform procurement and delivery programs

If you would like to learn more about any of the programs listed in the report or future opportunities to contribute to the discussion, please email IED@Transport.nsw.gov.au or sign-up to the Transport.nsw.gov.au or sign-up to the <a href="mailto:Transport.

Engagement Fast Facts - 2024/25



16.9k
unique visits to the TIIP



2.6k
engagement feedback form submissions



engagement and consultations (EG: SIP Webinar)



Over the last five years, the construction industry has been presented with significant opportunities with record levels of investment in Australia on major transport projects. There have also been significant challenges, including the COVID-19 global pandemic, major natural disasters linked to climate change, and historically elevated materials and labour costs.

The latest snapshot, outlined in Infrastructure Australia's 2024 Market Capacity Report, acknowledges that while some demand is easing, labour and skills shortages, cost escalation and stagnating productivity growth persist as factors influencing the market. Underlying workplace culture issues are also undermining the ability of the industry to attract and retain a more diverse workforce.

Recognising the need and opportunity for change, through its market position and industry engagement research activities, Transport identified four focus areas to work with our project partners to deliver meaningful reform. These reform activities were designed to respond to the challenges faced by industry in our time, to help de-risk our supply chain and build the long-term capacity and sustainability of the sector.

The following report reviews the measures we have undertaken in partnership with industry since 2020. It is structured against our four focus areas—Procurement, Sustainability, Innovation and Workforce.

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Procurement

Sustainability

Innovation

Workforce



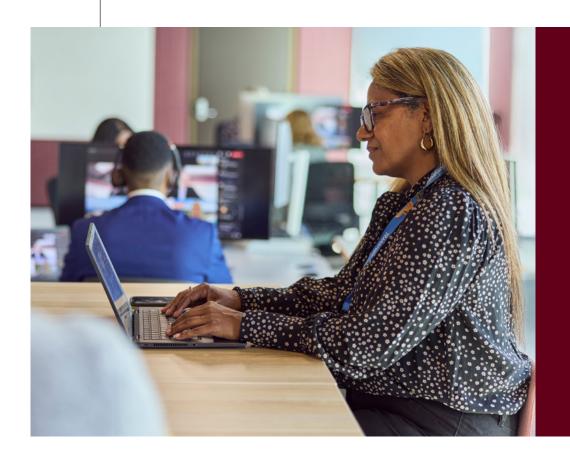
Procurement Reform

Throughout the five-year report period, the Infrastructure Projects & Engineering Division (formerly Infrastructure & Place) alone procured over \$25 billion of infrastructure projects, placing us as one of the largest procurers of infrastructure services in Australia.

During this period of historically high transport infrastructure investment, industry has told us that there was significant pressure to deliver a pipeline of complex projects. This pressure impacted on the capacity of the sector in different ways and required Transport to adapt the way we procure projects to meet the needs of the market while achieving value for money.

The following segment of this report provides a summary of the measures that Transport has adopted to our procurement process over the last five years in response to market feedback. Transport seeks to leverage these learnings to drive continued improvement in the way we work with industry. The latest updates on our procurement reform are available here on the Transport Infrastructure Industry Portal.

Throughout the five-year report period, the Infrastructure Projects & Engineering Division alone procured over \$25 billion of infrastructure projects, placing us as one of the largest procurers of infrastructure services in Australia



Pipeline Visibility

Elements: Procurement

Our industry partners have continued to strongly articulate the need for visibility of the capital plan to enable better planning of resources. Transport understands this as a foundational issue for industry at both periods of elevated demand and into the future as the transport infrastructure project pipeline begins to return to more historical levels of expenditure.

To respond to this need in 2020 Transport launched the <u>Transport Infrastructure Industry Portal</u> (TIIP) with an online version of the Transport pipeline. Transport was one of the first agencies in Australia to publish a digital version of their pipeline for industry partners. The pipeline enables industry to see the status of infrastructure and maintenance projects over \$20 million, assisting our constructors, designers and supply chain to plan both their workforce and business development needs.

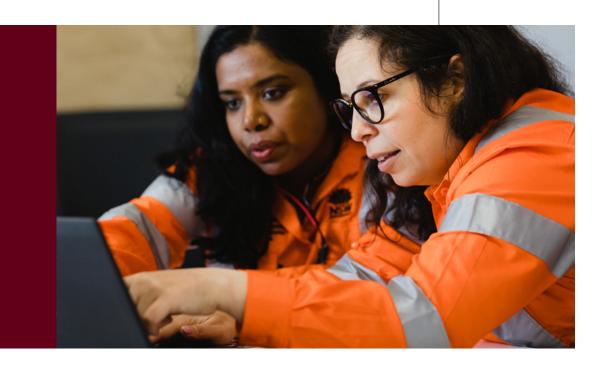
The TIIP has evolved significantly since it was launched, based off industry user feedback. Over this time, it has evolved to become a "front-door" for industry to engage with Transport. The TIIP now attracts up to 2,000 unique industry visitors a month who engage with the content and provide active feedback to enhance project development and delivery.

The pipeline was updated annually in 2020. However, based on continued industry feedback Transport has progressively shifted the TIIP to more regular updates. From 2025 the TIIP will be updated on a quarterly basis and further work is being completed to move to a more regular cadence to enhance the transparency of the tool.

The TIIP now includes a dashboard functionality, where industry partners can create an account and customise their own version of the pipeline by selecting individual projects to follow. Online consultations are also facilitated through the TIIP using its secure data room tool. Industry can also register for events and consultations, read the latest news, and download policy documents and related resources.

Transport is committed to continuing to evolve the TIIP as a tool to inform, engage and seek ongoing feedback from our industry partners to enhance the projects we seek to deliver. The IED Team leverage feedback from industry to drive continual improvement of the TIIP as part the Annual Industry Sentiment Monitor.

Transport was one of the first agencies in Australia to publish a digital version of their pipeline for industry partners.



Productivity Packaging

Elements: Procurement, Consultation

After hearing from industry on the challenges with procurement models during a period of unprecedented demand, in 2023 Transport sought formal industry feedback on a procurement approach called Productivity Packaging. This outlined two potential models: three-phase procurement and portfolio procurement, to help unlock capacity in the market.

We consulted with industry and received written feedback from 22 organisations and held workshops with 16 of these. Overall, industry welcomed the opportunity to be part of the discussion about alternative procurement models. However, feedback on the value of this procurement pathway was mixed.

The three-phase procurement model was proposed to help alleviate capacity constraints faced by the market, especially in relation to designers, to deliver a more streamlined tender process for our project partners in times of high-demand. While not adopted, this approach demonstrates Transport's commitment to looking at new and different ways of procuring projects and adopting a collaborative approach with industry.

The feedback report and more background information can be found on the <u>Transport Industry Infrastructure</u>
Portal

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Three-phase procurement

A model intended to streamline the design and procurement process and develop projects to a more advanced stage within a collaborative environment. Under this model a single designer would be sourced by Transport to assist developing a design.

Two construction tenderers would be engaged through a Registration of Interest (ROI) process to work individually with Transport and the designer in a collaborative environment.

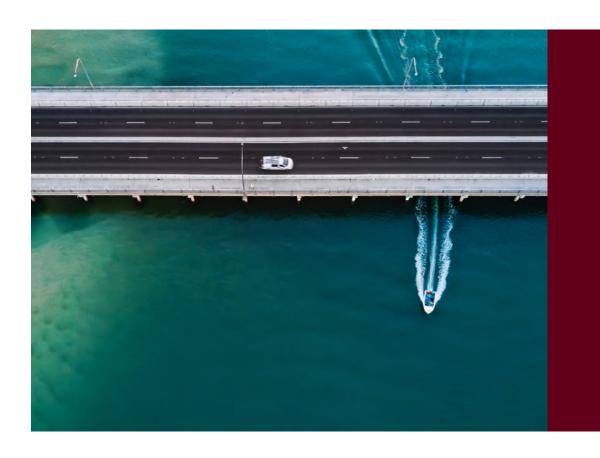
This model would allow pricing and contract award based on a more developed design and with a better understanding of project risks.

Portfolio procurement

A model that would establish a series of contractor shortlists through a single ROI process. These shortlists would be used for the procurement of a portfolio of projects, creating greater flexibility to package works across Transport's portfolio.

Projects could be added to the portfolio as they are funded for construction. The two models were proposed to apply to Tier 2 to Tier 4 road projects within our portfolio.

It was and is not proposed Tier 1 road projects, rail projects or other complex projects be procured via this model at this stage.



Merging legacy accreditation systems

Elements: Procurement

In 2019, Roads and Maritime Services (RMS) was merged with Transport. Following the merger of RMS and Transport, both agency's legacy procurement systems were carried over.

Transport has reviewed and merged the legacy accreditation systems, combining the best practice from both agencies into a single approach. This reform significantly changed the way we procured projects, providing industry partners with consistency and clarity.

The Framework was based on feedback received from industry partners. It leverages legacy procurement experiences, addressing inefficiencies and ensuring effective and productive delivery.

One critical piece of work that supported the system accreditation merger was reviewing the contract documentation requirements. While industry partners may not directly interact with these systems, this consolidation fundamentally changed and simplified the ways Transport for procures projects.

As part of this work, we launched a new internal infrastructure-related procurement policy framework (Framework) that streamlined how Transport undertakes infrastructure-related procurement. The Framework was based on feedback received from industry partners. It leverages legacy procurement experiences, addressing inefficiencies and ensuring effective and productive delivery.

As our portfolio continues to change, Transport recognises there are further opportunities to continue to improve our procurement systems and processes. Later in the document we outline our engagement program and how we leverage key industry forums and feedback channels to identify and prioritise continuous improvement in the way we develop, procure and deliver projects.

Contract harmonisation – Project Streamline

Elements: Procurement, Consultation

Transport is progressively working with industry to drive greater harmonisation across our contract suite. Standard tender documentation helps both Transport and industry better understand the requirements of a contract during tender phase, speeding up procurement. During delivery, greater certainty around a contract requirements helps all parties act with confidence when executing the deed.

Construction Contracts

To increase simplicity for industry partners to procure Transport projects, we also reviewed various tender documents with the aim to consolidate and streamline how industry works with us.

We replaced six tender document suites with a single, base suite of documents, creating consistency across large project and contract types and providing a more streamlined and efficient procurement process.

The new documents consisted of a single template for Registration of Interest, a single template for Expression of Interest and two templates for Requests for Tender.

A Collaborative Design and Construct (CDC) contract is in the final stages of being completed, with industry engagement planned to ensure industry feedback is considered prior to finalisation. This contract is the result of harmonising multiple legacy design and construct contracts and is mode agnostic, allowing consistency for industry across the various types of IPE projects. The contract has been designed in a way so that there is a full suite of clauses that can be included or removed, depending on the project specifics. This will reduce the need for contractual changes, saving time and resources during contractual negotiations.



Modifying contracts to address industry concerns

Our GC21 'construct only' contracts have been our dominant contract type for small to medium sized projects. These contracts place escalation risk for the first 52 weeks on the contractor and then it falls to Transport. However, for the M12 project in response to the market, Transport amended the contract to share the cost risk on the significant earthworks and introduced incentives to improve contractor performance. This is just one example of collaborative contracting Transport is pursuing in its procurement.

We replaced six tender document suites with a single, base suite of documents, creating consistency across large project and contract types and providing a more streamlined and efficient procurement process.

Professional Services Contracts (PSC)

Transport worked with industry partners, including Consult Australia over a period of 18 months to develop three standard templates for PSC documents, tailored for three tiers of contract for use across the portfolio.

These three standard templates replaced 27 previous templates. This simplification made it easier for industry to work for Transport, and helped reduce time and expense required to enter into a contract.

This work was informed by industry consultation through online briefings where industry was presented draft templates for comment. Following industry feedback, the documents were updated.

The changes outlined above to both Construction and Professional Services Contracts reflect Transport's commitment to reducing the burden on tenderers on industry through streamlined procurement.

Early market engagement

Elements: Procurement, Consultation

Transport values early industry feedback to inform its approach to both project delivery strategies and procurement. To achieve this, Transport has a commitment to seek industry feedback earlier in the project lifecycle before a procurement strategy is developed.

A successful market engagement process enables Transport to:

- work in a more collaborative way (including contract type)
- understand market capacity, capability and interest in projects
- understand project specific innovation opportunities to project challenges
- understand partnership-based approaches to risk allocation
- identify shared opportunities to improve skills, training and industry diversity
- seek industry's input on decarbonisation and net-zero targets

The primary way feedback is sought is through project specific market interaction process (MIP). Transport's MIPs are often the first stage in establishing a collaborative relationship with our industry partners and can better support success in procurement and delivery. MIPs are independent of the expression of interest and tender submission phase and have no impact on an organisations ability to tender for a project.

Since 2021, we engaged with over 1,200 industry partners through multiple MIPs leveraging the TIIP data rooms as a collaboration space for industry feedback and information sharing.

This feedback has helped inform and change the way we have procured and set-up projects for success in delivery.

In May 2025, Transport gathered industry leaders to better understand how it would be able to successfully deliver significant pipeline of work in Western Sydney. The Pave the Way event, gathered over 50 industry representatives from across construction contractors, to seek feedback on how best to approach the significant procurement that is occurring in Western Sydney.



Since 2021, we engaged with over 1,200 industry partners through multiple MIPs leveraging the TIIP data rooms as a collaboration space for industry feedback and information sharing.



Engaging early on a 60-year first

In 2022, Transport consulted with industry to help inform the strategic development and delivery of NSW's first moveable span bridge in more than 60 years.

The Swan Hill moveable span bridge project was unique, requiring specialised industry input. As the last moveable span bridge project in NSW was over 60 years prior, Transport sought input from global specialist companies to inform its strategic business case for the project.

The consultation took the form of an online survey with follow-up workshops with individual organisations. Beyond helping Transport understand the technical challenges of moveable span bridges, the consultation also informed our understanding of the market's capability to design and deliver this project.

A key outcome of the consultation was Transport identifying that it needed to bring forward project development activities normally conducted in later project phases to guide and inform design solutions.



Addressing cost escalation through early engagement

Early engagement with industry has helped Transport reshape its procurement strategies on many of our projects. These examples of collaborative D&C contracts outlined below were developed with a high degree of risk-sharing around a broad range of issues such as contamination and utilities relocation.

On both projects, interactive commercial and technical tender processes were adopted to better understand industry's concerns around specific project risks and how we could address them, including relaxing our approach to reliance.

M1 to Raymond Terrace extension.

The project was broken into two Collaborative Design & Construct packages with a smaller and simpler 5km civil works package targeting Tier 2 contractors.

This strategy was adopted based on market feedback to help diversify opportunities for different industry partners and to also better utilise local capacity in the market to de-risk the project.

Coffs Harbour Bypass

To ease the cost burden on contractors as part of the Request for Tender process on the project, we reduced requirements for management plans and design deliverables.

This involved responding to market feedback and shifting our preferred commercial profile position. The result was greater innovation in risk sharing and material selection to meet supply chain challenges.

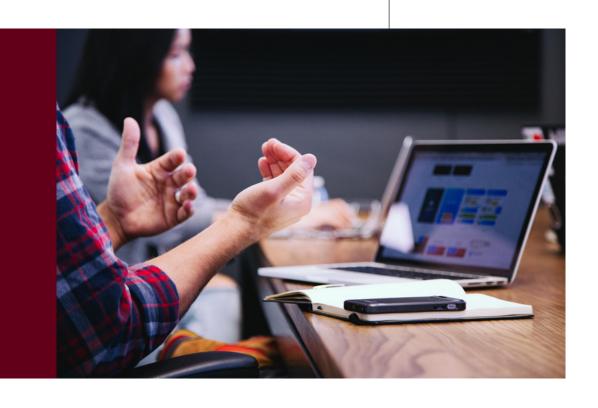
Sustainability Reform

It is Transport's vision for sustainability to be a primary consideration on every project well before the delivery stage. The NSW Government's Climate Change (net-zero Future) Act 2023 legislates its ambitious approach to addressing climate change. It enshrines whole-of-government climate action to deliver net-zero by 2050.

We are committed to net-zero and have made significant headway in developing supporting policy, implementing programs and developing practical tools to achieve these targets in partnership with industry. The reforms listed below do not include the multitude of initiatives made across Transport projects to support sustainability, many of which have been replicated or adapted on scale.

The latest updates on our sustainability reform are available here on the <u>Transport Infrastructure Industry Portal</u>.

We took 12 months and engaged deeply with industry partners and the supply chain to help develop a plan that was practical and that delivered meaningful progress towards a low carbon future for our industry.



Sustainable Procurement in Infrastructure Initiative

Elements: Sustainability, Procurement,

Consultation

Commencing in 2022, Transport set out to evolve the way we embed sustainability into our projects. The vehicle for driving this ambition was the Sustainable Procurement in Infrastructure Initiative (SPII), a program designed to address the challenge of climate change, by co-creating solutions to decarbonisation and embed circularity on our projects.

SPII was about action, built on the work set out in the Transport Sustainability Plan 2021 and aligns with the NSW Government net-zero Plan, Future Transport Strategy, NSW Government Waste & Sustainable Materials Strategy 2041, and the NSW State Infrastructure Strategy.

We took 12 months and engaged deeply with industry partners and the supply chain to help develop a plan that was practical and that delivered meaningful progress towards a low carbon future for our industry.

We launched SPII with a discussion paper that sought industry feedback on a framework for implementing circular economy and decarbonisation commitments as outlined in Transport's Sustainability Plan 2021.

In response, we received over 40 submissions providing us insights from over a hundred organisations and industry bodies. Overall, the feedback was very positive and supported our approach, however, it was clear that we needed to dive deeper into this with industry and unpack some complex areas.

We closed out SPII with a series of targeted workshops that brought together 370 individuals from 135 organisations to discuss the challenges and opportunities of decarbonisation. The feedback from the workshops will inform how we develop practical steps to decarbonise our infrastructure program.

One practical outcome of SPII is the Sustainable Procurement in Infrastructure Standard (Standard). It is a key instrument for Transport to set a consistent and clear internal approach across our large portfolio.

The Standard articulates how broader environmental sustainability is incorporated into procurement at Transport, it includes the establishment and implementation of minimum emission reduction targets and requirements for a circular economy. It also acts as the initial basis for our continually evolving procurement practices with industry partners.

M1 to Raymond Terrace extension

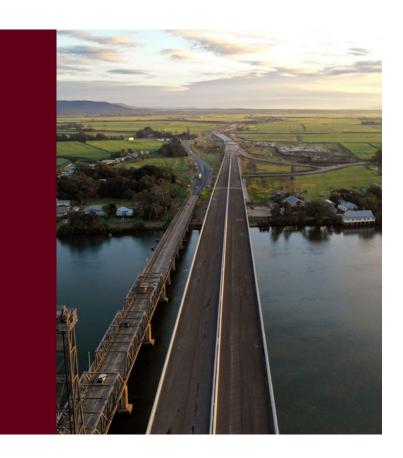
The M12RT project piloted the Standard with an updated project deed exhibiting the Scope of Works and Technical Criteria (SWTC), and also an updated design and construct request for tender.

Bidders were requested to nominate targets higher than the baseline, which was assessed as part of tender evaluation. These commitments subsequently formed part of the project deed on M12RT which is currently in design. Outcomes included:

- The Black Hill to Tomago package including a 25% construction emission reduction target in the contract, with optimised use of crushed glass, crushed concrete, reclaimed asphalt pavement and 100% GreenPower for electricity consumption during project delivery.
- The 'Heatherbrae Bypass' package exceeded some baseline targets, though only the minimum 5% construction emission reduction target formed part of the contract.

We closed out SPII with a series of targeted workshops that brought together 370 individuals from 135 organisations to discuss the challenges and opportunities of decarbonisation.





Sustainable Infrastructure Program Elements: Sustainability, Procurement,

Consultation, Technical solutions

Following feedback from industry about SPII, it was clear while having an initial focus on procurement, a more holistic approach to the entire project lifecycle was needed to meet our net-zero objectives. As a result, the Sustainable Infrastructure Program (SIP) was established to streamline and drive decarbonisation and circularity on Transport projects. It has a strong focus on digital solutions and driving change at the earliest stages of a project's lifecycle.

While SPII was focused on the procurement stage, SIP is a broad program to drive various sustainability-focused reforms across all stages of the project lifecycle.

The SIP has now developed a suite of various practical tools, standards and digital solutions to help Transport and its industry partners reach our decarbonisation and net-zero goals with more to come in the years ahead.

More information is available on the Sustainable Infrastructure Program portal.

SIP reform: National Sustainable Procurement in Infrastructure Guideline

Elements: Sustainability, procurement,

cross-jurisdictional collaboration

Industry has continued to identify the need to streamline cross-jurisdictional requirements to drive productivity gains. As part of the SIP, in early 2023 the combined Infrastructure and Transport Ministers Meeting (ITTM) tasked Transport with developing the National Sustainable Procurement in Infrastructure Guideline (Guideline) to support transport agencies across Australia to harmonise the decarbonisation requirements in their infrastructure projects. The Guideline was based on Transport's Sustainable Procurement in Infrastructure Standard (Standard), which was the key output of the SPII.

The Guideline was endorsed by all State and Territory Transport Ministers in early 2025 and is now the standard approach for all Australian transport agencies.

It provides coordinated, flexible and consistent guidance for state and territory transport agencies to reduce embodied carbon emissions at each stage of the project lifecycle and a consistent approach to embodied carbon measurement.

This work is part of the <u>Sustainable Infrastructure</u> <u>Program</u>, which is streamlining and driving decarbonisation and circularity on transport infrastructure projects. The implementation of the Guideline across all jurisdictions demonstrates the powerful potential of industry working together with Government to drive meaningful change.

The SIP has now developed a suite of various practical tools, standards and digital solutions to help Transport and its industry partners reach our decarbonisation and net-zero goals with more to come in the years ahead.

SIP reform: Engineering Cost and Carbon Library

Elements: Sustainability, Consultation,

Innovation

Another key deliverable through SIP is the Engineering Cost and Carbon Library (ECCL)—an Australian-first library of over 4,000 construction resources that defines baseline carbon. It sets a clear benchmarking structure for cost and carbon aligned to international standards.

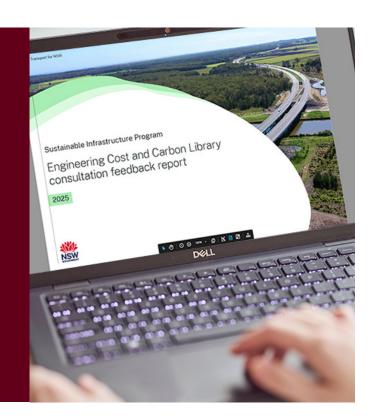
It includes plant, labour, materials and fuels and will support industry to have a clear, consistent and easily understandable register of the carbon impact of their projects and is aligned to cost management and engineering design.

As a component of the Transport for NSW Common Data Model (CDM) for Infrastructure, industry have let us know the significant productivity benefits that will be saved in terms of time and resources through design, tendering and project reporting, streamlining carbon estimation to align with existing processes.

Consultation commenced in October 2024 with over 500 industry partners taking part, resulting in 22 pieces of detailed feedback being provided that will help us further develop the ECCL.

The feedback received was overwhelmingly positive. Industry supported the development of the ECCL and noted its significant potential to increase productivity by automatically creating a carbon rate at the same time as building a cost schedule.

More information on the ECCL can be found here.



SIP reform: Concrete Mix Register

Transport was the first agency in Australia to publicly disclose the Global Warming Potential (GWP) of its approved concrete mixes through its online Concrete Mix Register (CMR).

The CMR is an online resource that lists concrete mixes that are provisionally approved for use on Transport projects and was the subject of an industry consultation as part of the Sustainable Infrastructure Program.

Transport consulted with its supply chain partners on a proposal to include early product stage GWP (A1-A3) for each mix on the CMR. This was to be achieved through the adding of generic emissions factors to the CMR that are calculated based on individual mixes.

A key challenge associated with the concrete mixes and the CMR is the emerging requirement for registered suppliers to develop Environmental Product Declarations (EPD) across regularly changing mixes.

This is a significant resourcing burden for the supply chain, and with over 500 mixes on the CMR there is an opportunity to improve the productivity of this important work.

As part of the consultation, Transport proposed to automate and streamline carbon assessment as part of the standard mix approval process, driving consistency and reducing financial costs for our supply chain partners.

Industry's feedback through the consultation supported Transport's proposal. A summary of the feedback received is available in this feedback report.

Decarbonising Infrastructure Roadmap

Infrastructure NSW (INSW) and Transport collaborated to develop the Decarbonising Infrastructure Delivery (Roadmap). This document outlines both agencies' activities and milestones towards reducing embodied emissions from 2023 till 2026.

The Roadmap responds to industry requests for an aligned NSW Government forward workplan on embodied emissions. It outlines key initiatives between 2023-2026 to decarbonise infrastructure delivery and reflects the collaborative and complementary relationship between INSW and Transport.

The NSW Government is working to uplift the capability and capacity of agencies and infrastructure industry partners to transition to a net-zero future.

Many of the key activities listed in the Roadmap are key deliverables of the SIP.

The roadmap is available on INSW's website here.

Consulting with industry to drive policy reform

In July 2023 we released our draft net-zero and Climate Change Policy targets for industry consultation. These targets were Transport's response to the NSW Climate Change Adaptation Action Plan 2025-2029.

Transport held a consultation in partnership with IPE and Sustainability Policy Environment and Regulation divisions at Transport. An online briefing was attended by 72 individuals representing 43 organisations. Following the briefing we received written feedback from 15 organisations.

Overall, industry welcomed the introduction of the targets, with 93 percent of respondents noting that the proposed greenhouse gas targets were "fit for purpose".

Following this positive industry feedback Transport adopted the targets across its portfolio.

The targets in the net-zero and Climate Change Policy:



65% reduction in Transport operational emissions by

2030 (compared to 2018-19)

 \bigcirc 2

2035
net-zero in Transport

operational emissions

Fossil fuel-free Transport construction and maintenance



2045

net-zero in Transport's embodied emissions



2050

net-zero in all transport sector emissions



2060

negative transport sector emissions

Innovation Reform

Innovation in the construction industry has trailed comparable to other sectors by 25 per cent over the past 30 years. Coupled with data projecting a shortage of 190,000 skilled workers, it is imperative that Transport take action to shift the dial on industry's relationship with innovation. We need to work smarter, not harder. Direct feedback from industry leaders also told Transport that the desire to innovate exists, but it usually falls off as traditional metrics such as design, time and cost take priority.

We want Transport to be a trusted partner that is supporting industry to innovate, meaningfully, improving productivity of the construction industry. To achieve this goal, we have worked with industry and internal teams to understand current barriers to innovation, opportunities to trial ideas and improvements to our ways of working.

The reforms listed below do not include the multitude of innovations underway by our project partners across transport projects.

The latest updates on our innovation reform are available here on the Transport Infrastructure Industry Portal.

We want Transport to be a trusted partner that is supporting industry to innovate, meaningfully, improving productivity of the construction industry.



Gateway to Innovate

Elements: Innovation

In 2024 we launched Gateway to Innovate (GTI), an Australian-first program designed to provide industry with a pathway to pilot innovations on Transport projects.

GTI provided a unique opportunity for industry to partner with Transport to test innovations on some of Australia's most complex and high-profile projects.

GTI focused on innovations that created new approaches to old challenges, adapted ideas from other industries or improved established ways of working on our projects.

From 60 submissions, three successful proponents were selected.

These trials commenced in February 2025 and ran until May 2025. Results from the trials were made available on the Iransport Infrastructure Industry Portal in August 2025.

Visit the Gtl website to find out more.





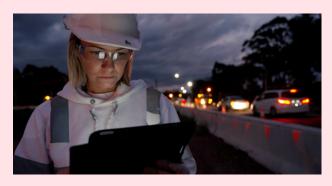
FatigueTech by Ethos Health

FatigueTech is designed to transform how fatigue is managed within the industry. Ethos Health's innovation, inspired by elite sports and mining techniques, introduces real-time fatigue monitoring to enhance worker safety and productivity. This approach promises to address one of the industry's most critical challenges by balancing safety and performance on-site.



ClaRFI by Aurecon Australasia

ClaRFI leverages generative AI to streamline the Request for Information (RFI) process, a critical yet often cumbersome part of project management. By simplifying collaboration and enhancing project intelligence, this tool promises to make the RFI process faster and more intuitive, saving valuable time and resources.



Intellitag® by Altus Group

The Intellitag® system attaches to road signs, cones, and barriers, creating a mapped digital twin of the work zone. This innovative use of technology will help make high-risk traffic management environments safer and more efficient. By providing real-time data on work zone conditions, Intellitag® addresses the complex needs of road safety and efficiency.

Bridging the digital literacy gap

Elements: Innovation

In November 2023, University of Technology Sydney (UTS) launched the first micro-credential program for engineering professionals in the Southern Hemisphere.

Transport identified the opportunity to increase digital literacy, which will support the transformation of the industry by developing the skills of the current and future workforce.

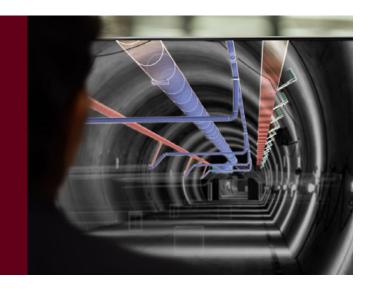
The two micro-credentials were:

Micro 1: Digital Engineering Foundations, providing a general understanding of Digital Engineering.

Micro 2: Digital Engineering for Design Managers – Practitioner, focusing on practical and technical aspects for designers and engineers.

These micro-credentials cater to professionals seeking to upskill their digital literacy in design management, project management, and digital engineering fundamentals.

You can find out more about UTS' micro-credentials here.



Through the Industry
Affairs program, a Design
Review working group was
established in 2024 to develop
a systematic, integrated and
transparent design review
framework

Streamline the design review process

Elements: Innovation, Cross-jurisdictional

Through the <u>Industry Affairs program</u>, a Design Review working group was established in 2024 to develop a systematic, integrated and transparent design review framework for identifying the required review authorities and timings across all projects.

With the support of industry representatives, the working group evolved to take on three additional pieces of work, resulting in four sub-working groups, this included:

- Trialling a design collaboration framework, proposing improvements across the design review process including Scope of Work and Technical Criteria draft updates.
- Reviewing the role of independent certifiers / independent verifiers on projects and making recommendations for next steps.
- Identifying potential improvements in the way Transport engages with industry through our prequalification schemes.
- Establishing recommendations and implementation of improvements to Transport managed Concessions to Technical Standards.

The Working Groups met for a period of over six months to explore tangible actions that could be taken by both industry and government to achieve the objectives of the program. This included improvements to Transport managed concessions, anticipated to reduce the number of concessions applied for by over 60%—significantly reducing resource requirements. The full actions and outcomes were outlined and communicated to the wider industry via an online briefing in late 2024.

The work and actions identified through the Design Review working group is ongoing.

Concrete mix supplier portal

Elements: Innovation, Technical solutions

In 2023 we developed a portal to automate the submission process for Transport QA specification B80 (TS 01733.1) concrete mixes. The portal helped streamline the ways we work with industry and was developed in line with the NSW Government's digital strategy.

We consulted with Cement Concrete Aggregates Australia (CCAA) to test the proposed portal with their supply chain members. The feedback from this testing process was critical to the development and launch of the final tool which is now the approach utilised to submit B80 concrete mixes

Following consultation, the portal was reviewed to address industry's feedback and was launched as the new way to submit B80 concrete mixes.

Workforce Reform

The construction industry in NSW is one of the nation's largest employers and is critical to the ongoing development and delivery of Transport infrastructure that improves the way we live, work and travel around the State.

Transport is taking active steps to make the construction industry a more diverse, inclusive and safe place to work. This is why we are working collaboratively with industry, rolling out important programs and initiatives that aim to address issues preventing underrepresented groups from entering and remaining in the industry.

The latest updates on our workforce reform are available here on the Transport Infrastructure Industry Portal.

Transport is taking active steps to make the construction industry a more diverse, inclusive and safe place to work.



360 project health and culture checks

Elements: Workforce, Innovation

Through the Industry Affairs program, a 360 Project Health and Culture working group was established in 2024 to develop a solution that enabled oversight of a project's health and culture at a project level through to transport projects level.

A Project Culture and Health Check (PCH) Tool was developed to provide a comprehensive snapshot of a project's health, from development to delivery, by regularly surveying projects understanding of health and culture trends.

The tool provides both Transport and external project teams with a holistic overview of the relationship between Transport and industry representatives, supporting the traditional metrics of time, cost and quality.

Reviewing the responses will allow Transport and delivery partners to collectively identify issues early and find cases of best practice that can be apply to other Transport projects, supporting a culture of shared accountability.

The PCH tool was trialled through 2024 and is currently being adopted more broadly. More information is available on the Transport Infrastructure Industry Portal.



A Project Culture and Health Check (PCH) Tool was developed to provide a comprehensive snapshot of a project's health from development to delivery



Personnel requirements

Elements: Workforce, Procurement, Innovation

Through the Industry Affairs program, a working group was established in 2024 to review the use of personnel requirements in contractual documentation and identify opportunities on future projects.

A practical output was the development and adoption of a standardised CV to increase efficiency in the tender process. Additionally, the language, 'unless otherwise approved by the Principal', was rolled out as an exception to the prescriptive requirements in all new contracts.

The working group explored pathways for personnel to seek 'years' experience' exemptions, specifically to help improve diversity, opportunity and skills shortages. We are using this work as a foundation to consider options to enable new pathways to key personnel positions, including relaxing stringent experience requirements, to sponsor diversity and expand the industry talent pool.

Because of the working group, our projects continue to trial removing restrictions on requirements outlining who our delivery partners put forward based on role criteria or years of experience, allowing tenders to propose their preferred organisational structure and personnel for the project.



Culture Standard and streamlined minimum requirements document

Elements: Workforce, Procurement

Transport understands there are long cultural challenges facing the industry and is committed to working with our delivery partners to address these challenges. One way we are addressing workforce challenges on our projects is through our commitment to trial the Construction Industry Culture Taskforce's (CICT) Culture Standard.

The Culture Standard provides a framework for clients and contractors to work together to improve the conditions for workers and increase productivity in the construction industry. It proposes a set of standards be incorporated into procurement processes to improve worker time for life, wellbeing, and diversity and inclusion.

In 2023, Transport's Mulgoa Road Stage 1 project become one of the first projects in Australia to pilot the Construction Industry Culture Taskforce (CICT)'s draft Culture Standard. Since then, the Parramatta Light Rail Stage 2 Enabling Works contract also adopted the Culture Standard. Find out more on the Culture Standard and Transport's trials here.

Given the importance of the Culture Standard and the potential of this framework to transform the sector, Transport determined to take an industry-first approach to test it with our stakeholders to understand how to best implement it across a broad range of projects in the portfolio.

The Culture Standard provides a framework for clients and contractors to work together to improve the conditions for workers and increase productivity in the construction industry

Additionally, Transport wanted to work with industry to streamline existing contractual requirements relating to the Infrastructure Skills Legacy Program and Aboriginal Employment outcomes.

In June, Transport commenced an industry campaign called Shift Change. The campaign seeks industry engagement to test our new streamlined Skills, Diversity, Aboriginal and Culture Contract Requirements.

The Shift Change campaign was launched with an industry webinar that attracted 190 industry representatives.

Over the following two weeks Transport received over 22 submissions to help improve the Skills, Diversity, Aboriginal and Culture Contract Requirements document.

You can find out more about the Shift Change campaign on the <u>Transport Infrastructure Industry Portal</u>

Unacceptable Behaviour Guide

Elements: Workforce, Procurement

No one should ever feel unsafe or be the subject to unreasonable or unlawful behaviour on a construction site. Together The Department of Transport and Main Roads, Queensland (TMR) and the Victorian Infrastructure Delivery Authority (VIDA) working with Transport for NSW developed the Notification of Unacceptable Behaviours Guide (The Guide).

The Guide and reporting framework communicates a clear and consistent ethical standard that is expected on all Transport project sites. It consolidates all existing reporting requirements in the one space and promotes a culture of reporting, to Speak Up against poor or unethical behaviours.

Transport will continue to work with our contractors, regulators and trade union representatives on rolling out the Guide across all projects.

Download a copy of the Guide and obtain further information

Social procurement and workforce development reporting

Elements: Workforce, Procurement

While reporting against the Infrastructure Skills
Legacy Program (ISLP) is not new, Transport for NSW
has significantly enhanced the process through the
development of a Reporting Template and framework.
This initiative addresses longstanding issues of
inconsistent and inaccurate reporting across Transport
projects, particularly regarding industry skills and
diversity outcomes. These inconsistencies previously
hindered effective data analysis, insight generation, and
compliance with legislative and program requirements.

The improved reporting functionality allows Transport to benchmark best practices, analyse trends, and provide insight into priorities, such as local job reporting and gender diversity while offering the flexibility to expand into metrics like the Culture Standard.

The Reporting Template and framework now offers a standardised approach to data aggregation, providing one of the most extensive workforce datasets in Australia and presenting qualitative data for evidence-based decision-making to support industry and government initiatives, such as the National Construction Strategy Workforce Working Group.

Following feedback from delivery partners and industry stakeholders, the reporting template is now in its second iteration. Renamed the Aboriginal Participation and Industry Skills and Diversity (APISD) Reporting Template, this template includes Aboriginal participation data, which enhances consistency and strengthens compliance with legislative requirements such as the Aboriginal Procurement Policy, mitigating enterprise-wide risk. This new reporting framework eliminates duplicative processes and streamlines data collection across applicable Transport projects.

The Guide and reporting framework communicates a clear and consistent ethical standard that is expected on all Transport project sites.



An Ongoing Commitment

Thank you to our industry partners who have contributed to the various reforms outlined in this report. While we have made significant progress, reform will continue to be an important part of how we work and deliver projects together.

Transport remains firmly committed to working collaborative with industry to understand the challenges and identify the opportunities that will support a more productive and sustainable construction sector.

If you would like to learn more about any of the programs listed in the report or future opportunities to contribute to the discussion, please email IED@Transport.nsw.gov.au or sign-up to the Iransport.nsw.gov.au or program of the Iransport.nsw.gov.au or sign-up to Iransport.nsw.gov.au or sign-up to Iransport.nsw.gov.au or sign-up to

