

Statutory framework

VicRoads is the registered business name of the Roads Corporation, which was established in the *Transport* Act 1983 and continued in the Transport Integration Act 2010. The Governor in Council appoints the Chief Executive who is responsible for managing the functions of the Roads Corporation consistent with its objective in the Transport Integration Act

Governance structure

VicRoads' Chief Executive is accountable to the Minister for Roads, reporting through the Secretary of the Department of Transport, Planning and Local Infrastructure. VicRoads works closely with the Department of Transport Planning and Local Infrastructure to ensure that its policy development and planning activities reflect a collaborative, portfolio-wide approach. VicRoads provides regular reports to the Department of Transport Planning and Local Infrastructure on its finances, capital expenditure and outputs, and the Chief Executive attends monthly Portfolio Leadership Team meetings.

Some of the key structures and processes that contribute to the effective governance of VicRoads are outlined below.

- Strategic Leadership Team: Comprises the Chief Executive, Chief Financial Officer, Chief Operating Officer and the Executive Directors of Strategy and Planning, Policy and Programs, Corporate Services and Commercial Enterprises, and Business Development. It supports the Chief Executive to deliver the Roads Corporation's functions, as defined under the Transport Integration Act. Specifically, it sets and adapts VicRoads' vision, strategic objectives and priorities, while ensuring that the organisation complies with robust governance processes in providing effective leadership.
- Management Committee: Comprises the Chief Operating Officer, the Chief Financial Officer, and the Executive Directors of Policy and Programs, Regional Operations, Metropolitan Operations, Registration and Licensing and Commercial Enterprises, and Business Development. The Management Committee overseas development and resource allocation, and monitors the delivery progress of the annual VicRoads Program. It also monitors the delivery progress and financial performance of VicRoads.

- Project Review Committee: Comprises the Executive Directors of Policy and Programs, Strategy and Planning, Regional Operations, Metropolitan Operations and the Director, Technical Services. It oversees VicRoads' input to internal and external proposals, including the planning and development of road projects and road improvement programs with an estimated cost greater than \$10 million; planning studies with an estimated cost greater than \$3 million; and projects considered to involve contentious matters.
- Information Management and Technology Board: Comprises most Executive Directors and ensures the governance and strategic alignment of investment decisions regarding VicRoads' Information Management and Technology environment. The last meeting was held in October 2012.
- Information Access and Technology Committee:
 Comprises the Executive Directors of Corporate
 Services, Strategy and Planning and Policy and
 Programs, Executive General Manager Information
 Management and Technology and external
 representative Chris Gillies. It provides strategic
 leadership to the organisation in its use and
 management of information and investment and
 management of information technology. The
 Information Management and Technology Board
 was replaced with the Information Access and
 Technology Committee in late 2012.
- People Services Committee: Comprises the Chief Operating Officer, the Chief Financial Officer, the Executive Directors of Corporate Services, Registration and Licensing, and Regional Operations, and the Executive General Manager, People Services. It reviews, monitors and supports corporate culture, ensures the wellbeing and ongoing capability of VicRoads' people and the effectiveness of people related corporate services.

- VicRoads complies with the Code of Conduct for Victorian Public Sector Employees. The code is explained to new staff in the induction process and all new staff must complete an e-learning module on the code. All staff must also complete e-learning modules on the Victorian Charter of Human Rights, equal opportunity and information privacy every two years. VicRoads has policies and procedures on its intranet which address employment and conduct principles. Topics include equal opportunity and anti-discrimination; merit-based recruitment and selection; maintaining a harassment-free work environment; managing poor behaviour; gifts, benefits and hospitality; and responsible use of the registration and licensing system.
- Risk Committee: Comprises the Chief Finance Officer, the Chief Operating Officer, the General Counsel, and the Executive General Managers of Information Management and Technology, People Services and Communications, and Stakeholder Engagement. It assists the Strategic Leadership Team to identify and manage strategic risks, implementing and monitoring risk management processes and frameworks that anticipate and mitigate risks to VicRoads ability to meet Government priorities, VicRoads objectives and community expectations.
- VicRoads maintains a risk management system to systematically identify, manage and minimise risks that are inherent in its day-to-day business operations, the delivery of its programs and projects and its management of the road network.
- Audit Committee: Comprises five independent members (Tony Darvall Chair, Murray Jones, Gregory Larsen, Carol Pagnon and Bob McDonald) and one member from VicRoads (Peter Mitchem). It assists the Chief Executive to fulfil his responsibilities for financial reporting, internal control, risk management and compliance with laws, regulations and ethics.
- VicRoads outsources its internal audit function to PricewaterhouseCoopers. Internal audit assists management to control risks, monitor compliance with policies and procedures and improve the efficiency and effectiveness of internal control systems. The results of audits are reported to the Audit Committee and VicRoads' senior management. The Victorian Auditor-General's Office inspects and audits the financial position of VicRoads and reports annually on the outcome of the audit.

VicRoads Risk Management Attestation 2012-13

I, Gary Liddle certify that VicRoads has risk management processes in place consistent with the Risk Management Standard AS/NZ ISO 31000:2009 and an internal control system is in place that enables the executive to understand, manage and control risk satisfactorily.

VicRoads' risk profile has been critically reviewed within the last 12 months. The effectiveness of VicRoads' risk management practices will continue to be reviewed and enhanced.

VicRoads' Audit Committee has confirmed this assurance.

Gary Liddle Chief Executive

VicRoads Insurance Attestation 2012-13

I, Gary Liddle certify that the VicRoads has complied with the Ministerial Direction 4.5.5.1 Insurance.

Gary Liddle Chief Executive

Corporate structure

VicRoads has six divisions as shown on the organisation chart on page 47. The functions of each division are summarised below.

Gary Liddle, Chief Executive of VicRoads, was appointed in March 2007 and oversees all functions and operations for VicRoads. His role also entails national representation in his participation as board member of Austroads and Chairman of the Australian Chapter of the Road Engineering Association of Asia and Australasia (REAAA).

VicRoads' divisions

Strategy and Planning is responsible for:

- supporting the Strategic Leadership Team to establish and realise the corporate vision and strategic directions as well as adapt it in response to changes in our 'operating environment'
- identifying and coordinating the functional strategies (i.e. road safety, network & assets and environmental) required to achieve objectives
- monitoring organisational achievement and performance against the objectives and strategies to inform strategic decision making
- anticipating, investigating and preparing advice in response to emerging challenges and help set the agenda for the Strategic Leadership Team
- establishing a corporate planning cycle that supports the organisation to prepare the policies, programs and projects necessary for developing and operating in accordance with the vision and strategic direction
- leading development and implementation of initiatives, promoting innovation and strong customer focus. Fostering and maintaining strong relationships with key stakeholders to understand their perspectives and manage expectations at a strategic level
- shaping national reform opportunities and reflect the future capability needs in the development of our people.

David Shelton, Executive Director, Strategy and Planning and Road Safety Coordinator, was appointed to the role in October 2012.

Policy and Programs is responsible for:

- the translation of the broad strategic directions into priority based investment programs and projects
- developing and implementing effective policies to improve the operation of the road network and delivery of services
- facilitating consistency, capability development and knowledge sharing in the design, construction and maintenance of road infrastructure
- encouraging the use of sustainable transport modes in assisting customers to take responsibility for making choices in all aspects of using the road network.

Robert Freemantle, Executive Director, Policy and Programs, was appointed to the role in October 2012.

Commercial Enterprises and Business **Development** is responsible for:

- identifying commercial and business opportunities which can be embedded across the organisation
- seeking international business opportunities, assessing their benefits, risks and commercial viability for VicRoads
- providing specialist expertise to the Operations division and competing on the open market for asset improvement, surfacing and line marking services on the arterial road network
- assessing all property holdings for commercial use or disposal
- rationalising the property portfolio to ensure efficient management and reducing costs associated with holding properties for future road construction
- providing end to end concept development, design, manufacturing, marketing and sales for the custom plates business.

Peter Mitchem, Executive Director, Commercial Enterprises and Business Development was appointed to the role in October 2012.

Corporate Services is responsible for providing core support functions to our business in order to ensure we effectively deliver for our customers.

Jaida Nicholson, Executive Director, Corporate Services, was appointed to the role in October 2012.

It is divided into three sub divisions, as follows:

People Services is responsible for:

- recruitment of our people through a variety of channels including merit-based selection, the graduate program, indigenous and diversity programs and human resource policy development
- workplace occupational health and safety including compliance, preventive measures and post-incident support services
- promoting organisational development and learning
- workplace relations, including compliance and enterprise agreements.

Judith Pettitt, Executive General Manager, People Services, was appointed to the role in October 2012.

Information Management and Technology is responsible for:

- providing support services including the provision of infrastructure devices and provision of maintenance and support services for key business applications
- delivering IM&T change projects and managing VicRoads IM&T assets
- developing IM&T strategies to improve business outcomes and IM&T governance and security.

Susan Sly, Executive General Manager, Information Management and Technology was appointed to the role in October 2012.

Communications and Stakeholder Engagement is responsible for:

- providing ministerial and stakeholder engagement through strategic communications advice and media relations, taking advantage of a vast array of media channels including traditional and social media forms
- developing marketing campaigns and brand management through graphic and online communications.

Paul Matthews, Executive General Manager, Communications and Stakeholder Engagement, was appointed to the role in June 2013.

Finance and Risk is responsible for:

- payroll services including processing and reporting, time and attendance records, termination calculations and the management of executive officer contracts
- developing financial accounting policies and procedures and a financial management framework in line with the Financial Management Act and applicable Australian Accounting Standards
- financial processing services including accounts payable, accounts receivable, debtor management, purchasing card transactions, asset valuation, depreciation and physical asset stocktakes
- managing business operations including facilities, fleet management, purchasing and supply
- delivering internal and external financial reporting, budget management and forecast management
- management of VicRoads' banking and cash flow
- managing business planning, providing specialised advice to clients relating to policy interpretation and financial management
- audit and compliance monitoring, conducted internally and managed through external audit providers
- management of the organisation's Risk and Assurance program
- legal services including strategic and operational advice and managing FOI and information privacy
- procurement and contract management services including specifications and contract documentation.

Mark Dale, Chief Financial Officer, was appointed to the role in October 2012. **Operations** brings together those parts of the business that are interacting with our customers in maintaining and operating the road network and managing access to, and the use of, the road network.

Peter Todd was appointed as the Chief Operating Officer in May 2013.

The division is divided into a number of sub divisions:

Metropolitan and Rural Operations is responsible for:

- planning, developing, delivering and maintaining road, roadside and bridge infrastructure
- monitoring the condition of the network, identifying gaps and deficiencies
- heavy vehicle enforcement
- planning, developing and delivering major transport-related infrastructure.

George Mavroyeni, Executive Director, was appointed to the role in October 2012.

Operations Services is responsible for:

- coordinating the delivery of asset and improvement works as defined by the Policy & Programs division, including prioritising works within the specified program as well as monitoring and reporting
- managing and coordinating the delivery of statewide projects
- actively working with delivery areas to identify the best mechanisms for implementing improvements to processes and practices.

Gerry George, Director Operation Services, was appointed to the role in October 2012.

Technical Services is responsible for:

- providing service support to delivery areas on technical aspects of asset condition, project development and verification during implementation
- maintaining technical standards and the technical capability of the organisation
- acquiring land reserved for new or upgraded road and bridge projects.

Agnelo Duarte, Director Technical Services, was appointed to the role in October 2012.

Registration and Licensing is responsible for:

providing frontline services to our customers to enable access to and use of the road network within the regulatory framework.

Peter Welling, Executive Director, Registration and Licensing, was appointed to the role in March 2013.

Commercial Roads is responsible for:

- managing Victoria's privately operated road contracts
- undertaking the administration of relevant Public Private Partnerships (PPP)
- the relationship with private road operators and, to some extent, their financiers and contractors.

Vanya Kumar, Director, Commercial Roads, was appointed to the role in August 2010.

Gary Liddle

Chief Executive

DAVID SHELTON

EXECUT DIRECTOR STRATEGY & PLANNING **ROAD SAFETY** COORDINATOR

Aidan McGann

Director Corporate Strategy

Julian Lyngcoln Director

Road Safety Strategy

Anita Curnow

Director

Network Strategy & Planning

Helen Murphy

Director

Environmental Strategy

ROBERT FREEMANTLE

EXECUTIVE DIRECTOR POLICY & PROGRAMS

James Holgate

Director Vehicle & Road Use Policy

Andrew Wall

Director

Network Policy & Standards

Vince Punaro

Director

Network Programs

JAIDA NICHOLSON

EXECUTIVE DIRECTOR CORPORATE SERVICES **Judith Pettitt**

Executive GM **People Services**

Susan Sly

Executive GM

Information Management & Technology

Paul Matthews

Executive GM

Communications & Stakeholder

Engagement

MARK DALE

CHIEF FINANCIAL **OFFICER**

Vacant

General Counsel

Wayne Mitchell

Director

Management Accounting

Rodd Baker

Director

Risk & Assurance

Liz Davenport

Director

Corporate Accounting

Bill Darvidis

Director

Statewide Finance & Business Services

JOHN CUNNINGHAM

EXECUTIVE DIRECTOR COMMERCIAL **ENTERPRISES & BUSINESS DEVELOPMENT**

Vacant

Director

Business Development

Adrian Tofful

Director

Sprayline Road Services

GERRY GEORGE

DIRECTOR

GEORGE

MAVROYENI

OPERATIONS

METROPOLITAN

EXECUTIVE DIRECTOR

PETER

TODD

CHIEF

OPERATING

OFFICER

OPERATION SERVICES

STEVE BROWN

EXECUTIVE DIRECTOR **REGIONAL OPERATIONS** William Tieppo Regional Director

South Western

Ewen Nevett

Regional Director

Western

Mal Kersting

Regional Director Northern

Bryan Sherritt

Regional Director

North Eastern

Sebastian Motta

Regional Director

Fastern Tony Hedley

Project Director

Geelong Ring Rd

Michael McCarthy Project Director

Western Hwy Projects

Charlie Broadhurst

Project Director

South East Projects

Richard Bell

Director

Regulatory Services

Patricia Liew

Regional Director

Metro North West

Adam Macguire

Regional Director

Metro South East

Andrew Williams Project Director

Metro Projects

Trevor Boyd Director

M80 Upgrade

Frank De Santis

Project Director

Eastern Projects

Dean Zabrieszach

Director Road Operations

Chris McNally

R&L Practice & Standards Glen Madeira

Director

Customer Services

Barbara Flett

Director **R&L Services**

VACANT DIRECTOR COMMERCIAL ROADS

DIRECTOR

PETER WELLING **EXECUTIVE DIRECTOR**

REGISTRATION & LICENSING

AGNELO DUARTE

TECHNICAL SERVICES

ANNUAL REPORT 2012-13 47