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6 August 2018

Mr Shane King MP
Chair
Transport and Public Works Committee
tollroads@parliament.qld.gov.au

Dear Mr King

PARLIAMENTARY INQUIRY INTO THE OPERATIONS OF TOLL ROADS IN QUEENSLAND

Thank you for the opportunity to attend a briefing and provide a written submission to the parliamentary inquiry into the operations of toll roads in Queensland.

Transurban Queensland currently holds the concession rights for each of Council's local government toll roads.

Council's role in relation to its local government toll roads is to manage the relevant concession deeds, ensure compliance with the Minister for Transport and Main Road's imposed Local Government Tollway Declaration conditions and to undertake offence enforcement activities in relation to unpaid tolls referred to it by Transurban Queensland.

Council believes that these toll roads are well managed and provide a high level of customer service, and is of the view that these toll roads have helped complete key missing motorway standard links in the major road network in Brisbane providing significant benefits to road users and the city.

While Transurban Queensland is best placed to comment on the day-to-day operations of these tollways and the associated toll collection and compliance processes, Council remains committed to ongoing improvements to customer service and ensuring all fees, charges and tolling customer ombudsman arrangements are fair and reasonable.

Council has previously suggested that the Queensland Government consider the establishment of a new tolling ombudsman with similar administrative operation to that of the Queensland Ombudsman but with jurisdiction over the Concessionaires. As part of this inquiry, Council looks forward to the Committee's consideration of changes to the existing Tolling Customer Ombudsman scheme or whether a new tolling ombudsman scheme should be created.

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The attached submission addresses the inquiry's terms of reference outlined in your letter dated 19 June 2018.

If you have any further questions about Council's submission, please contact Ms Marie Gales, Manager, Transport Planning and Strategy and Congestion Reduction Unit, Brisbane Infrastructure, [REDACTED]

Yours sincerely



Colin Jensen
CHIEF EXECUTIVE OFFICER

Enc. Brisbane City Council's Submission for the Parliamentary Inquiry into the operations of Toll Roads in Queensland

BRISBANE CITY COUNCIL

SUBMISSION

**Parliamentary Inquiry into the operations of
Toll Roads in Queensland**

August 2018

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1 EXECUTIVE SUMMARY

Council delivered and is responsible for the Clem Jones Tunnel (Clem7), Go Between Bridge (GBB) and Legacy Way toll roads in Brisbane.

These toll roads are declared Local Government Tollways (LGT) under the provisions of the *Transport Infrastructure Act 1994 (Qld)* (the Act).

The Minister for Transport and Main Roads made the initial declarations for each of the LGTs on the following dates:

- Clem7 – 28 July 2006
- GBB – 25 June 2010
- Legacy Way – 12 November 2013.

Since this time there have been a number of amendments to these declarations as required to reflect changes from time to time.

Tolling enabled these roads to be constructed sooner than otherwise would have been the case to address Brisbane's growth needs, relieve congestion, improve road safety and facilitate economic development.

Members of the Transurban Queensland (TQ) group currently hold the concession rights for each of Council's LGTs.

The obligations for operating and maintaining Council's LGTs are established in the local government tollway franchise agreement (also known as a Concession Deed) for each toll road. These Concession Deeds are on the public record.

Council's role in relation to these toll roads is to manage the relevant toll road Concession Deeds, ensure compliance with the Minister for Transport and Main Road's imposed Local Government Tollway Declaration conditions and to undertake enforcement activities for offences referred to Council by the toll road operator for failure to pay a properly issued Demand Notice in relation to unpaid tolls.

Council is of the view that these toll roads have helped complete key missing motorway standard links in the major road network in Brisbane and have provided significant benefits to road users and the city.

Council believes that these toll roads are well managed and provide a high level of customer service. However, there remain future opportunities to continue to improve customer service and ensure all fees, charges and enforcement activities are fair and reasonable.

Council has seen a material reduction in the number of unpaid Demand Notices being referred to Council for offence enforcement activities since the implementation of a new compliance process designed to be more effective by TQ last year.

Council supported this initiative and also required that appropriate conditions and safeguards were built into a compliance framework, which aims to ensure that the process remains fair and reasonable for road users.

TQ is best placed to comment on the day-to-day operations of these toll roads and the associated toll collection and compliance processes.

Council is aware of concerns about the current arrangements for independent review of tolling matters by the Tolling Customer Ombudsman (TCO). Council recommends that the Transport and Public Works Committee (the Committee) consider the independence of the current TCO scheme and whether a different model be established either through:

- revisiting the appointment, removal and accountability of an industry funded ombudsman
- the establishment of a new tolling ombudsman with similar administrative operation to that of the Queensland Ombudsman but with jurisdiction over the Concessionaires.

2 BACKGROUND TO LOCAL GOVERNMENT TOLL ROADS

TransApex was Council's long-term plan to relieve congestion on Brisbane's arterial roads and improve cross-city connectivity.

The TransApex projects delivered by Council included the Clem7, GBB and Legacy Way, as well as the Queensland Government-delivered Airport Link (APL). The TransApex plan addressed the congestion issues that were previously faced in Brisbane due to a radial road network with limited river crossings that directed cross-city traffic movements into the inner city. Prior to TransApex, 40% of traffic passing through the Central Business District (CBD) just wanted to get to the other side of the city.

Over the past 10 years, more than \$7 billion worth of major infrastructure has been built under the TransApex plan, representing the largest combination of infrastructure projects ever initiated by a local council in Australia. These projects delivered a system of motorway standard roads designed to fill critical gaps in the arterial road and regional motorway network, forming an inner-city ring road system for Brisbane. This improved interconnectivity of the motorway network increased the number of river crossings, assisted in managing traffic congestion in Brisbane's inner and middle ring suburbs, and provided the opportunity for improved travel time reliability for cross-city travel by allowing traffic to bypass the CBD and avoid multiple sets of traffic signals.

Affordability issues have consistently challenged the provision of infrastructure and transport systems for Australian cities. The TransApex suite of projects has been co-funded through government and a 'user pays' contribution in the form of tolling, while also maintaining free alternative routes for road users.

Under the 'user pays' arrangements these costs are recouped through the collection of tolls and the alternative free routes remain available to all users. It has been Council's experience that users of the toll roads consider the benefits to them, such as travel time savings, to be greater than the toll costs.

Tolling enabled these roads to be constructed sooner than otherwise would have been the case to address Brisbane's growth needs and relieve congestion. By applying a 'user pays' system through the application of tolls, the value delivered in savings, travel time and increased reliability is offset against the price of the toll.

With the opening of Clem7, GBB, APL and Legacy Way, the TransApex projects collectively provide for the movement of more than 120,000 vehicles on a typical weekday, significantly reducing demand and congestion on surface routes.

A brief description and timeline for each toll road is as follows:

- Clem7 – a 6.8 kilometre toll road tunnel linking the Pacific Motorway (M3) and Ipswich Road at Woolloongabba to Lutwyche Road and the Inner City Bypass (ICB) at Bowen Hills; commenced construction in September 2006 and opened to traffic in March 2010
- GBB – a 300 metre long bridge that connects Merivale and Cordelia Streets in South Brisbane to Coronation Drive and the ICB at Milton; commenced construction in July 2008 and opened to traffic in July 2010
- Legacy Way – a 4.6 kilometre toll road tunnel that connects the Western Freeway at Toowong with the ICB at Kelvin Grove; commenced construction in April 2011 and opened to traffic in June 2015
- APL – a 6.7 kilometre toll road linking the northern arterials of Gympie Road, Sandgate Road and the East-West Arterial to the ICB, Legacy Way and Clem7 at Bowen Hills; commenced construction in November 2008 and opened to traffic in July 2012.

Motorway standard links provide a mature and robust road network able to address major incidents such as the floods of 2011, and also provide redundancy in the network in the event of major traffic incidents.

The LGTs were designed and constructed under models whereby Council is ultimately the asset owner but has a 'concession agreement' for a private operator to operate, maintain and collect the tolls. The concessions are generally for periods of up to 50 years.

Delivering the suite of TransApex assets through these models significantly reduced the risk to Council by transferring major risks of construction, operation and patronage to the Concessionaire and providing significant value to the ratepayers of Brisbane.

Through a series of asset consolidations, members of the TQ group currently hold the concessions for each of Council's LGTs.

The obligations for operating and maintaining Council's LGTs are established in the Concession Deed and related documents for each toll road. Council has a role in ensuring that these obligations are being met by the relevant local government franchisee (Concessionaire).

3 LEGISLATIVE POSITION OF COUNCIL TOLL ROADS

LGTs

Clem7, GBB and Legacy Way are LGTs for the purposes of the Act.

The legislative regime for LGTs is in many ways a mirror of the legislative regime that applies to Queensland Government toll roads (e.g. APL). However, there are some differences.

While Council was the advocate and proponent for each of these toll roads and undertook the necessary planning and analysis in relation to the economic, financial, technical, planning, environmental and community criteria, ultimately it is the Queensland Government that approved the development and tolling regime that applies to Clem7, GBB and Legacy Way.

LGT declarations

The Minister for Transport and Main Roads made the initial declarations for each of the LGTs on the following dates:

- Clem7 – 28 July 2006 (concession ending 2051)
- GBB – 25 June 2010 (concession ending 2063)
- Legacy Way – 12 November 2013 (concession ending 2065).

These declarations were made subject to various conditions by reference to Schedule 5 and 5A of the Act which included:

- the types of vehicles liable for tolls
- the maximum toll payable
- the methodology to be used to decide indexed, periodic increases in the maximum toll payable
- the administration charge payable for issuing a notice for and collecting an unpaid toll
- the ways of making payment of the toll liability other than payment in cash or by use of the E-toll system
- the user administration charge payable for persons making payment of the toll other than in cash or by use of the E-toll system
- a description of the arrangements used to allow users to satisfy the liability to pay tolls on the toll road or other toll roads
- the day the toll starts and stops being payable
- traffic management by Council
- management by Council of the impact of the toll roads on the road network
- reports from Council in relation to the toll roads.

Concession Deed

Council has entered into a Concession Deed for each of Clem7, GBB and Legacy Way that requires the relevant Concessionaire (i.e. the relevant TQ group member that holds the concession) to operate and toll the toll roads in accordance with the relevant LGT declarations.

Tolls and charges

The maximum tolls for use of the LGTs are set out in the relevant LGT declarations. Accordingly, the Concessionaires cannot charge tolls higher than the maximum toll set by the relevant declaration.

The Concessionaire may also charge certain additional amounts for recovery of tolls, subject to a 'cost recovery' principle. In particular:

- any user administration charge (i.e. the charge for paying other than by tag account) imposed by a Concessionaire may include an image processing fee, which must not be more than the reasonable cost of capturing, processing and using an image to identify a vehicle, and otherwise must not be more than the reasonable cost of administering and collecting payment of the toll
- any administration charges imposed by a Concessionaire must not be more than the reasonable cost of issuing a Demand Notice (see below) and collecting the unpaid toll, the image processing fee for the toll and the administration charge.

Under the conditions of the LGT declarations, Council is required to facilitate an independent review of the quantum of the administration and user administration charges applied to tolls to confirm that they reflect the relevant reasonable costs.

The most recent review was completed in early November 2017, and found that the administration and user administration charges for Council's LGTs were consistent with the Concessionaire's assertions that they reflected the reasonable costs involved.

In future, Council expects TQ will continue to see a further reduction in complaints, fees and charges through TQ's recent leveraging of opportunities associated with the rebranding of go via to Linkt and recent technological and process improvements including:

- TQ's transition to a centralised back-of-house system
- enhanced customer communications
- introduction of an account management app
- introduction of aggregated demand notices.

Failure to pay a toll

The Act deals with the failure of a driver of a designated vehicle to pay the toll payable for the use of the LGT. In summary, the Act provides for the following process:

- the unpaid toll or user administration charge may be recovered by the Concessionaire as a debt from the driver
- the Concessionaire may issue a Demand Notice for the unpaid toll, the image processing fee and an administration charge. This Demand Notice may be for more than one 'deferred toll amount' (i.e. the unpaid toll and associated image processing fees)
- failure to comply with a Demand Notice is an offence and may result in an Infringement Notice being issued by Council on LGTs under the *State Penalties Enforcement Act 1999* (Qld) (SPEA).

Council requirement to enforce offences

Appropriate enforcement of tolling offences is important to ensure a high rate of payment compliance, which underpins the ongoing viability of the toll roads and ultimately the ratepayers' expectations.

If tolling offences are not appropriately enforced by Council then Council may become obliged, under the Concession Deed, to compensate the Concessionaire.

4 TOLL PRICING AND INCENTIVE OPTIONS

Each of the LGTs was procured and delivered on a single asset basis. Each LGT has an initial asset capital cost together with ongoing maintenance and operational expenses.

Each LGT has been financially modelled in order to help determine both the value attributable to the concession and in the setting of toll levels approved by the Queensland Government.

Under the 'user pays' arrangements these costs are recouped through the collection of tolls and the alternative free routes remain available to all users. It has been Council's experience that users of the toll roads, consider the benefits to them, such as travel time savings, to be greater than the toll costs.

The Concessionaire is entitled to charge anywhere up to the maximum toll payable at its discretion provided the appropriate notifications are in place.

Any instruction by a government to impose lower tolls on motorists than the maximum toll payable, or to introduce toll-free periods would give the Concessionaire grounds for compensation under the concession agreements and come at a significant cost to that government.

Through the relevant Concession Deed, Council has kept the tolls on Legacy Way lower than the maximum allowed for the first five years of operation. On GBB and Clem7, staged toll increases were introduced when the assets were opened to traffic as a means of encouraging usage. Council observed that the final toll increase did not materially reduce toll road usage.

In June 2015, the Lord Mayor announced the \$80 million ICB upgrade project. Following this announcement, TQ submitted an innovative proposal to Council to manage the delivery of the ICB upgrade project and provide accident response and traffic management services for the ICB. TQ was also entitled under the Legacy Way Concession Deed to be offered the first right to negotiate an agreement for this work.

Following a competitive tender process, Council entered into a contract with BMD Constructions Pty Ltd on 9 December 2016, to design and construct the ICB upgrade which saves Council \$20 million.

In early April 2017, Council entered into an agreement with TQ to upgrade and operate the ICB partially funded through increasing tolls for heavy commercial vehicles (HCVs) to levels similar to those approved for the Logan Enhancement Project. On 19 April 2018, the Minister for Transport and Main Roads approved the increases to HCV tolls with the support of TQ and the Queensland Trucking Association, that introduced differential tolling for HCVs across Clem7, GBB and Legacy Way for the first time in Queensland. A lower toll during off-peak periods between 8pm and 5am daily, effective from the opening of the on-ramp from Bowen Bridge Road to the ICB, will provide an incentive for truck drivers to travel overnight using the toll roads. It will also improve amenity for residents by reducing the number of trucks on the un-tolled surface network, and potentially reduce safety risks due to fewer interactions between pedestrians and heavy commercial vehicles in the CBD.

Council also supports the concept of price bundling for the use of multiple toll roads as a measure to reduce demand on the un-tolled surface network, however, this is a matter for the Concessionaires to consider.

5 TOLL COLLECTION COMPLIANCE AND ENFORCEMENT REGIME

How people pay tolls

It is Council's position that the majority of people using the LGTs are doing the right thing and have made arrangements to pay the tolls either through TQ's tolling product issuer Linkt or other tolling product providers throughout the country. Interoperability arrangements between tolling payment providers allow customers from interstate and with other providers to also pay the toll.

Only a small fraction, significantly less than one per cent, of all trips result in infringement notices.

Compliance process

When a driver uses a LGT they incur a civil debt (the toll and associated charges) under the Act that the TQ Concessionaire is entitled to collect through a process known as 'compliance'.

For road users with no arrangement to pay, TQ has extensive processes in place to contact the road user (including issuing appropriate toll notices) seeking to recover the civil debt. TQ would be best placed to provide further details in relation to these processes.

Council has no involvement in the compliance process, except in Council's supervisory capacity in regulating the conduct of the Concessionaire.

As part of the compliance process, the Concessionaire may issue a Demand Notice under the Act to the registered vehicle operator or a person who the Concessionaire has grounds to believe was the driver (typically because the registered vehicle operator has told TQ that someone else was the driver).

Tolling offences

An often misunderstood concept is the offence is associated with not paying a toll after using a LGT.

Using a LGT without having an arrangement to pay does not in itself create an offence.

An offence is committed by a person who fails to comply with a Demand Notice associated with using the LGT. The person may be the registered vehicle operator or a person identified as the driver.

TQ may then refer the offence to Council for further action.

Enforcement process

Once an offence is referred to Council, an authorised Council employee may issue a fine (called a Penalty Infringement Notice) to the offender under the SPEA.

The process of issuing and recovering fines under SPEA for tolling offences is referred to as 'enforcement'.

Council provides a range of mechanisms to assist road users to understand the enforcement process and communicate with Council throughout that process. These include:

- information published on the Council's website (www.brisbane.qld.gov.au)
- a dedicated contact centre to assist with enquiries
- a process to dispute and appeal offences (accessible online, by post or through a Council customer service centre)
- payment plans in appropriate cases.

Where an offender does not pay Council the fine, Council may refer the offence to the State Penalties Enforcement Registry for further enforcement action. Council is charged a fee of \$69.80 for each matter referred for further enforcement action. This fee is subject to annual increases.

Recent developments

Toll Compliance and Enforcement Framework

In 2016 and 2017, Council in conjunction with the Queensland Government and TQ, conducted a review of the compliance and enforcement process which resulted in significant changes.

TQ proposed a suite of changes to the compliance process designed to make it more effective and reduce rates of non-compliance with an associated reduction in the volume of offences referred.

Council supported this initiative and also required that appropriate conditions and safeguards were built into a compliance and enforcement framework which aim to ensure that the process remains fair and reasonable for road users.

At the same time, Council has undertaken some streamlining of the enforcement process such as removing unnecessary steps.

The new toll compliance and enforcement framework commenced on 1 July 2017.

While it is still relatively early days, Council has seen a material reduction in the number of unpaid Demand Notices being referred to Council for offence enforcement activities.

Demand Notice aggregation

Council also supported the changes made to the Act earlier this year to allow Concessionaires to aggregate multiple unpaid trips (whether on State or local toll roads) on a single Demand Notice.

Council viewed this change as enabling greater efficiency in the compliance process, and also benefiting road users in terms of simplifying the compliance process and reducing exposure to offences for non-compliance.

6 COMPLAINT PROCESS

Council has established an extensive contact centre that is able to receive and respond to complaints for the people of Brisbane.

Since January 2014, Council has received 15 complaints relating to tolling that do not relate to enforcement.

Queensland's toll roads are operated by TQ and payment of tolls is handled by Linkt (a TQ tolling product issuer and service provider).

If a complaint is made to Council's Contact Centre, in relation to tolling or about these companies, customers are directed to contact TQ who have customer engagement systems and processes that are best placed to deal with customer concerns.

If the customer is not satisfied after completing the process with TQ they have the option to commence a process with the TCO regarding their complaint.

7 TOLLING CUSTOMER OMBUDSMAN AND QUEENSLAND OMBUDSMAN

7.1 Tolling Customer Ombudsman

The TCO provides free alternative dispute resolution for tolling customers. The TCO makes decisions on issues such as unpaid tolls, administration charges, failure to maintain an account, damage to vehicles and payment options. However, the TCO does not have the powers to make decisions on tolling infringement complaints.

Each of the Concession Deeds requires the Concessionaire to appoint a tolling ombudsman to receive, investigate and facilitate the resolution of complaints from users of Council's toll roads. The tolling ombudsman is intended to provide an independent dispute resolution scheme that is a fair, informal and accessible alternative to court proceedings and is free for users of Council's toll roads.

To comply with this obligation, Queensland Motorways Management Pty Ltd (Linkt Brisbane), has appointed the TCO.

The decisions of the TCO are:

- binding on the Concessionaires (except if they are compensation awards for consequential, economic, loss of profit or punitive damages or decisions that would put the Concessionaire in breach of its Concession Deed)
- not binding upon users of Council's LGTs.

There is no obligation on a user to participate in the TCO scheme and users maintain their legal rights if they disagree with a TCO decision.

A complainant must raise their enquiry with Linkt Brisbane first before contacting the TCO. Linkt Brisbane must advise the complainant in writing of the TCO process including contact details if an enquiry remains unresolved.

7.2 Queensland Ombudsman

The QO can investigate the decisions and actions of local councils (including Council) and Queensland Government agencies under the *Ombudsman Act 2001 (Qld)*.

Given the Concessionaires are private entities, the QO has no jurisdiction over them. This has previously been confirmed to Council by the Queensland Government. Therefore, the QO can only assist with complaints that directly relate to a decision by Council or the Queensland Government, for example, in relation to Penalty Infringement Notices.

The QO has broad investigation powers, however, it may only provide a report and recommend a course of action. There is no binding decision on the action that a local council or Queensland Government agency must take.

A QO report may be tabled in parliament if none of the recommended steps are taken.

7.3 Council observations

Council is aware that there have been some concerns raised about the current TCO scheme. In particular, Council is aware that a general concern has been raised about how the TCO can make impartial decisions when it is appointed and funded by the toll road operators.

Council is not aware of any specific decisions which are alleged not to have been made independently. However, the perception of independence is also important to public confidence in the scheme.

Council has previously suggested that the Queensland Government consider the establishment of a new tolling ombudsman with similar administrative operation to that of the Queensland Ombudsman but with jurisdiction over the Concessionaires. Given that the inquiry is underway, Council looks forward to the Committee's views on whether that is an appropriate option to address concerns regarding the independence of the current TCO scheme.

Alternatively, Council also offers some comments below on the current TCO scheme and improvements that could be made to it.

Council is aware that similar ombudsman arrangements are in place in other industries, such as the telecommunications industry. However, aspects of the current TCO model, such as the powers and process for appointment and removal of the TCO, and setting and managing the terms of the TCO's engagement, could be improved to reduce the risk of any actual or perceived conflict of interest of the TCO in making impartial decisions.

Under each Concession Deed, the toll road operator nominates the TCO for approval by Council. Council also has a power to require replacement of the TCO and to view the TCO's records.

Council (or other potentially interested stakeholders) do not have rights of control or influence over the list of candidates or the person put forward for the TCO role. The toll road operators also decide the terms of the appointment and manage the engagement of the TCO. Changes could be made in these areas in the TCO scheme to reduce the risk of actual or perceived conflict of interest.

Council recommends that the Committee consider changes to the existing TCO scheme or whether a new tolling ombudsman scheme should be created.

8 IMPROVEMENT OF CUSTOMER SERVICE STANDARDS

The Concession Deeds impose customer service obligations upon each of the Concessionaires.

Those deeds describe the minimum standard of customer services which must be met by the Concessionaires in the performance of operating the toll roads. Specifically, the Concessionaire must achieve the following customer service performance measures within each calendar month and report on its performance against each measure:

- customer calls answered within 120 seconds for 90% of the time (this is a target only, not a requirement)
- customer accounts with financial institutions are credited or debited with the correct amounts 99.9% of the time
- customers to be contacted by the customer service staff within two business days of a customer complaint being notified by a customer for 99% of the time
- accounts are not overcharged for 99.9% of the time
- correct toll or fee is assigned to correct account of complying vehicles for 99.9% of the time
- applications for toll road accounts correctly responded to within five days of receipt by mail for 99% of the time (this is a target only, not a requirement)
- availability and accuracy of information provided in operator website and operator 1800 number (or similar) for 90% of the time.

The Concession Deeds also include a key performance indicator (KPI) assessment system to demonstrate how effectively the Concessionaires are achieving their customer service obligations.

Benchmarks are used to assess the Concessionaire's customer service performance in relation to both the ratio of complaints received and incorrect tolls or charges, compared to total toll transactions. The following KPIs relate specifically to customer service obligations:

- toll road user complaints management – complaints received by the Concessionaire should not make up more than 0.01% of all toll transactions
- toll road user service performance review – a 'mystery shopper' exercise that anonymously assesses the Concessionaire's performance against their industry benchmark from the toll road user's perspective
- tolling system accuracy – incorrect tolls and/or user charge transactions should not make up more than 0.02% of all toll transactions.

KPIs are reported and reviewed on a quarterly basis and to date there have been no KPI demerit points applied in relation to customer service obligations and no known failure of the Concessionaires to comply with the performance specification obligations in relation to customer service obligations.

9 OPPORTUNITIES AND IMPROVEMENTS

The introduction of differential tolling for HCVs across Clem7, GBB and Legacy Way provides an incentive for truck drivers to travel overnight using the toll roads and will assist in reducing congestion during peak periods. This incentive option approach, along with the concept of price bundling for use on multiple toll roads as a measure to reduce demand on the un-tolled surface network, are good examples of the important role played by toll roads in Brisbane's transport network.

Council is of the view that over time fees and charges associated with travel on toll roads should continue to reduce with improved technology, systems and improved access to user details and information.

TQ is in a unique position to leverage the scale of operations in Queensland and Australia to ensure efficiencies in the delivery of tolling services.

TQ's recent rebranding from go via to Linkt has seen a reduction in some fees and this is supported. It is noted that the legislation allows for the recovery of costs through fees and charges.

Recent changes to allow Demand Notice aggregation is also supported. There remains an opportunity to review the aggregation period that is currently three days. This may result in an overall reduction in the number of Demand Notices issued and the associated fees and charges for tollway users.

Council is also of the view that TQ should continue to explore and consider new tolling arrangements and products such as bundled or capped total tolls for trips across multiple toll points in the network. TQ could implement such changes given its current control of all the South East Queensland toll roads and the efficiencies that could be derived through a single ownership structure and operations.

Council also recommends that the Concessionaire consider options to provide adjusted tolls where operation and travel times on tolls roads are impacted by planned maintenance or upgrade works which reduce the benefit provided to road users.

Recent changes implemented through agreements with the Department of Transport and Main Roads and Council has provided TQ with improved access to information to assist in the compliance process with road users who have made no arrangement to pay the toll. The parties should continue to explore other initiatives that could assist in this regard. This would further reduce the number of matters that are escalated from the compliance process (Demand Notice) to the enforcement process (Penalty Infringement Notice) and associated fees, charges and penalties.