airservices

Corporate Plan 2015–2020

About this plan

This plan describes Airservices Australia's strategic agenda and future direction for the period 2015–2020. It is designed to ensure that Airservices meets the Government's and the Australian public's aviation safety and service delivery expectations. The plan positions Airservices to contribute more effectively and efficiently to the management of aviation safety risks and improving relationships with the key industry participants within a strong governance framework.

The plan is presented for tabling in both Houses of Parliament of the Commonwealth of Australia.

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Letter of transmittal

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The Hon Warren Truss MP
Deputy Prime Minister
Minister for Infrastructure and Regional Development
Parliament House
CANBERRA ACT 2600

Dear Deputy Prime Minister

Corporate Plan 2015–2020

The Board of Airservices Australia is pleased to submit to you the 2015-16 Airservices Australia Corporate Plan, which covers the period 2015-2020, as required by section 35(1)(b) of the *Public Governance, Performance and Accountability Act 2013.*

The Plan is a response to the new Statement of Expectations issued in June 2015 and has been prepared in accordance with the provisions of Section 13 of the *Air Services Act 1995*.

Yours sincerely

Air Chief Marshal Sir Angus Houston AK, AFC (Ret'd)
Chair
16 July 2015

From the Chair

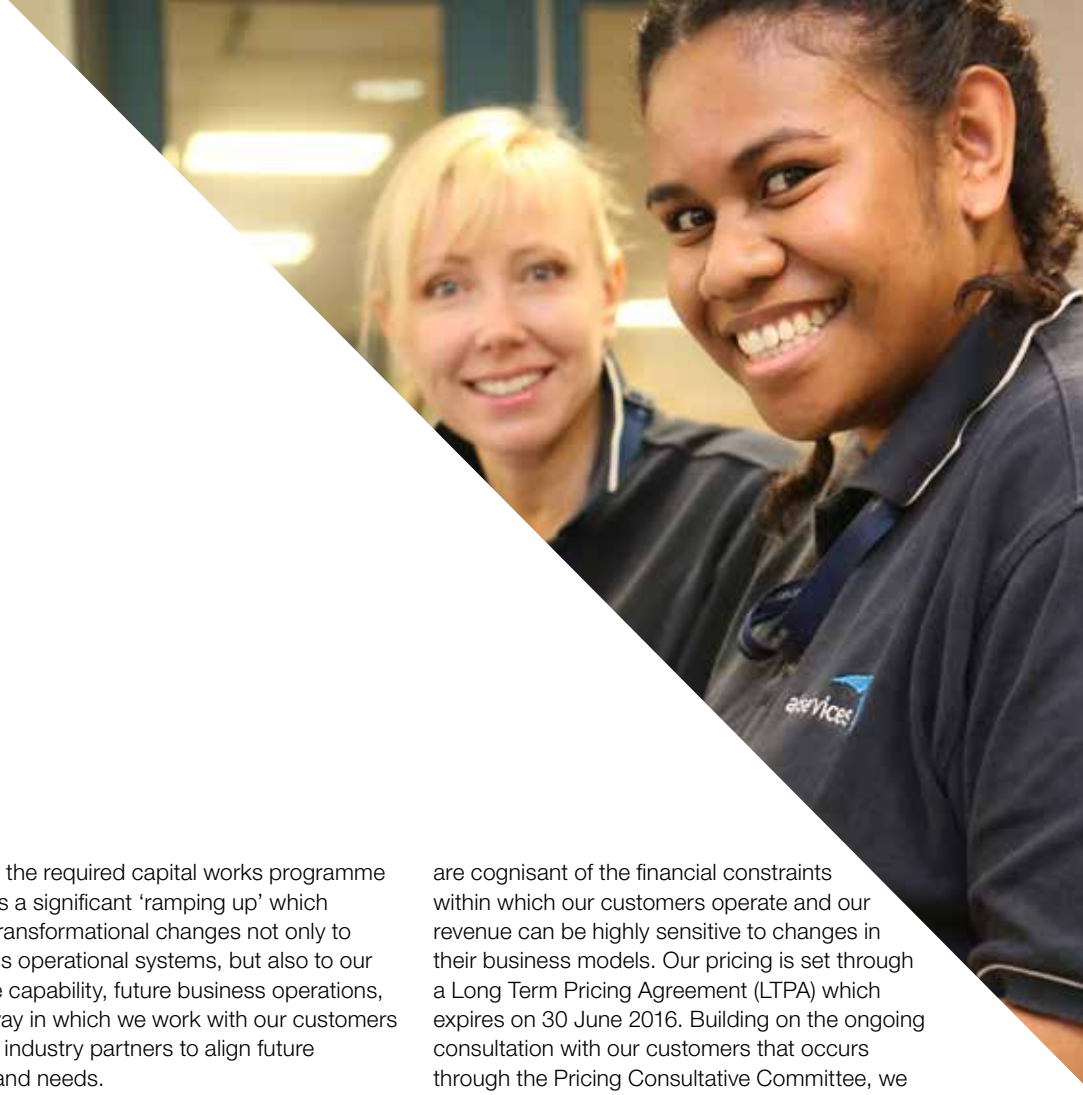
I am delighted to present the *Airservices Corporate Plan 2015-2020*, as we mark twenty years since Airservices and the Civil Aviation Safety Authority were established as separate entities from the then Civil Aviation Authority. Our joint history dates back 78 years to 1937 and the formation of the Department of Civil Aviation.

Airservices continues to improve our safety performance. Through the review and validation approach that Airservices applies to its operations and procedures, we are able to ensure the ongoing safety of the Australian aviation industry and leverage safety outcomes to deliver service improvements for our customers. By way of example, following a national review of air routes by the Operation Skysafe Taskforce, the Cairns-Melbourne route was changed to enable aircraft to fly parallel paths rather than at different altitudes. This revised route not only improved safety but also reduced costs for our customers by reducing flight distance, fuel burn and emissions. One of our customers, Virgin Australia, has indicated it will save 7675 track miles and 34 500kg of fuel each year.

In partnership with the Department of Defence, Airservices is to deliver our OneSKY Australia Program (OneSKY). This program will deliver a single civil-military national air traffic system that will modernise our air traffic management system from the ground up and ensure that Australian air traffic management remains technologically at the forefront.

Once implemented, Australia will have the most advanced and integrated air traffic control system in the world and Airservices will be able to deliver a range of benefits to our customers, stakeholders and the broader aviation industry. These include reducing delays, improving safety and efficiency and maximising the use of aviation technologies on board aircraft.

Continued long-term passenger numbers and aircraft movement growth also present a significant challenge to providing aviation rescue fire fighting services for our customers. The introduction of larger, more modern aircraft fleets means service (or Category) levels at some locations such as Perth and Canberra are forecast to increase over coming years. We are working with a number of airports (including Brisbane and Melbourne) which are scheduling parallel runway developments that will impact the future demand for aviation rescue fire fighting resources and facilities.



Delivering the required capital works programme represents a significant 'ramping up' which requires transformational changes not only to Airservices operational systems, but also to our workforce capability, future business operations, and the way in which we work with our customers and other industry partners to align future interests and needs.

We continue to lead organisational cultural change through the Airservices 'Our people, our future' program to enable the organisation to meet current and upcoming challenges. Supported by ongoing leadership development, we are aligning our organisational culture to establish an improved customer-centric ethos driven by customer value and industry collaboration.

We continue to work with industry and community to deliver environmentally responsible services which appropriately consider aircraft emissions and noise management. Significant work has been undertaken to improve our ability to model and quantify the noise and emission impacts that may result from changes to aircraft operations.

Airservices is primarily funded through charges for our services levied on our customers. As such we are cognisant of the financial constraints within which our customers operate and our revenue can be highly sensitive to changes in their business models. Our pricing is set through a Long Term Pricing Agreement (LTPA) which expires on 30 June 2016. Building on the ongoing consultation with our customers that occurs through the Pricing Consultative Committee, we have commenced broader consultation to inform the next LTPA, taking into account pressures on our customers and the broader aviation industry. We will focus on maintaining a balance between affordable charging and cost recovery for crucial infrastructure development to maintain high standards of aviation safety.

The Board and I, along with Airservices professional employees continue to work hard to achieve the organisation's 2020 Vision.

Angus Houston
Chair

Airservices role

Airservices is a government owned corporation and the monopoly service provider of air navigation services in Australian airspace, which covers 11 per cent of the earth's surface. Each year we support our customers by providing services to over four million aircraft movements and 140 million regular passenger transport movements.

The safe and efficient passage of aircraft is managed from our two major centres in Melbourne and Brisbane and locally from 29 international and regional airports across Australia. The provision of these services is supported by a national network of communications, surveillance and navigation facilities and infrastructure. We also provide aviation rescue fire fighting (ARFF) services at 26 of Australia's busiest airports.

Airservices is funded through charges levied on our customers and borrowings from debt markets. Our prices are set by the Board and subject to economic oversight by the Australian Consumer and Competition Commission (ACCC). Airservices does not receive any government appropriations.

Mission

To provide safe, secure, efficient and environmentally responsible services to the aviation industry

Airservices is a Commonwealth Statutory Authority, established by the *Air Services Act 1995* (the Act).

Airservices is required to have safety of air navigation as its most important consideration in exercising its powers and performing its functions. Our primary role is to provide air navigation and ARFF services for our customers under the regulatory supervision of the Civil Aviation Safety Authority (CASA) and we are subject to independent investigation by the Australian Transport Safety Bureau (ATSB).

Airservices air navigation services are delivered according to Civil Aviation Safety Regulations 171, 172 and 173. We have adopted a performance-based air traffic management framework that is aligned with International Civil Aviation Organization (ICAO) standards and focuses on enhancing performance in safety, minimising environmental impacts, matching traffic demand and capacity, optimising flight efficiency, and improving cost-effectiveness for our customers.

ARFF services are delivered according to Civil Aviation Safety Regulation 139H and we are equipped to respond to aircraft incidents and fires at aviation-related facilities at major airports.

We engage and consult with customers and stakeholders to develop a common understanding and agreement on current and future service requirements to support the delivery of safe, secure, efficient and environmentally responsible air navigation and ARFF services. Through ongoing performance monitoring and communication Airservices is able to demonstrate our level of service provision and commitment to continual service improvement to our customers.

With strong activity growth in the aviation industry there is an increasing need to promote environmentally responsible services and manage the impact of aircraft noise and emissions on local communities and the environment. Airservices continues to work closely with communities, the aviation industry and government to minimise both the environmental impact of aircraft operations and our own footprint as we strengthen our environmental focus.

Vision

Connecting the Australian aviation industry to deliver world best industry performance

Airservices position within the Australian aviation industry provides us with a unique, whole-of-industry perspective and we are well placed to facilitate improved connectivity with our customers and across the industry.

Our access to industry information is vital to measuring and improving the performance of the industry and provides a line of sight across the interconnection of aircraft, airports, air traffic management and navigation services and systems.

In an operating environment with growing demand and limited capacity, Airservices aims to efficiently connect the Australian aviation industry to maintain safety while improving the efficiency and cost-effectiveness of our services to our customers.

Values

Excellence, Inclusion, Cohesion, Initiative, Courage

Airservices is committed to developing a high-performance culture that places our customers at the centre of all our activities and ensures we work as one team while investing in and engaging our people. Our values define the behaviours we seek from our people as we work towards our vision of connecting the Australian aviation industry and delivering world best industry performance.

Excellence – We work to make everyone successful by engaging with others, delivering on our commitments and always looking for the best possible outcome.

Inclusion – We foster a welcoming, diverse and professional workplace where everyone is able to contribute to or understand the decisions that affect them in an open and transparent way.

Cohesion – We work together to connect our organisation and our industry by actively engaging with others, drawing on experience, and sharing knowledge and information.

Initiative – We make a difference by identifying innovative solutions and seeking to continuously improve.

Courage – We do what is right and speak up. We challenge ourselves, others and the status quo.

Organisational culture

Airservices 'Our people, our future' program is helping to evolve the organisational culture to meet current and upcoming challenges including expected aircraft movement growth, a large capital programme, transition to the new Air Traffic Management (ATM) platform via the OneSKY Program, and management of community and environmental concerns.

This is being achieved by embedding our organisational values as well as a focus on becoming more customer-centric, working as one team and putting people first. To do this we are working together to:

- align our services and create value for our customers and external stakeholders, and enhance our service delivery
- become a more agile and flexible organisation
- ensure a safer workplace to deliver safe, reliable and environmentally responsible services.

Outlook

Growth

In line with the historical correlation between aviation activity and economic growth it is anticipated that air traffic passenger numbers will continue to grow at similar rates to real gross domestic product (GDP) growth over the long term. Based on forecast GDP growth, air traffic volumes are projected to grow on average at 2.2 per cent over the life of the plan.

Between 2010–11 and 2030–31 passenger movements through Australian airports have been projected to grow by 50 per cent[1]. To meet this challenge and to improve service delivery to our customers Airservices will work with the broader aviation industry to:

- accommodate this growth safely by improving efficiency and capacity within the constraints of airport and surveillance infrastructure
- invest in new and improved infrastructure, technology and services to meet the industry's long term needs.

While the long-term outlook is for steady growth over the longer term, there continues to be volatility risk from year to year in the short term.

In the short-term this volatility has been driven by contrasting market factors. During 2013–14 the domestic airline competition for market share had added significant capacity on the supply side despite weakening demand in the local market as the mining boom had begun to recede. Over the first half of 2014–15 this domestic oversupply saw a substantial correction which saw capacity re-aligned with demand as the domestic operators consolidated services to reduce capacity and increase underlying yields.

Looking forward, we will need to continue to be vigilant and respond to the short term volatility while maintaining the focus on the delivery of critical infrastructure to safely manage the expected long range forecast growth in the industry.

The next major drivers of domestic economic growth remain unclear and this outlook is likely to translate into a low growth rate for aviation traffic volumes at least in the short term, with 1.9 per cent growth in traffic volumes assumed for 2015–16 followed by growth in the outyears set in line with forecast GDP growth to average 2.2 per cent per annum.

It is expected that international operators will continue to steadily increase capacity, albeit at a more modest rate than in recent years, into the next financial year and beyond.

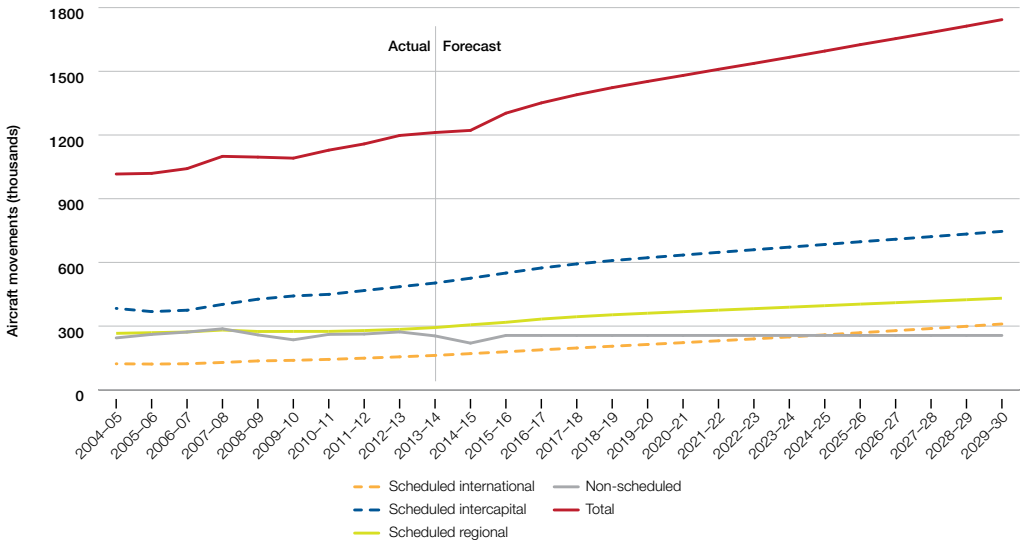
Safety and service

Traffic volume growth, coupled with increasingly diverse aircraft performance and technology capabilities, presents the industry with some significant safety and capacity management challenges across Australia's aviation network.

We will be replacing our air traffic management platform in collaboration with the Department of Defence (DoD) through the OneSKY Australia Program (OneSKY). This will provide improved operational, environmental and cost-efficiency outcomes for our customers, as well as a heightened level of safety and a reduction in delays for the travelling public. It will ensure that Australia has the most advanced and integrated air traffic control system in the world.

[1] http://www.bitre.gov.au/publications/2012/files/report_133.pdf, pg. 63

Figure 1: Aircraft movements through Australian airports



Source: Bureau of Infrastructure, Transport and Regional Economics and Airservices data.

We continue to enhance our safety management system, focusing on improving our safety performance and supporting infrastructure to meet our customers' and industry's expectations.

National aviation policy

The government's aviation policy has set out a number of important measures to develop an Australian aviation sector that is safe, reliable, efficient and competitive.

Combined with the current Ministerial Statement of Expectations (SOE), Airservices has been contributing to a number of these measures through initiatives that are contained in this and previous plans including:

- a major infrastructure investment programme
- introducing new technology and procedures to improve operational efficiency, airspace utilisation and minimise traffic delays
- supporting greater civil-military aviation harmonisation
- minimising the environmental impacts of aviation operations.

Airservices continues to participate in inter-agency working groups, including the Aviation Policy Group and Aviation Implementation Group, with the Department of Infrastructure and Regional Development, CASA and DoD. These working groups provide a coordinated approach to aviation policy matters, air traffic management issues, engagement with ICAO and monitoring Australia's State Aviation Safety Program. These working groups are currently actioning the recommendations accepted in the Government's Response to the Aviation Safety Regulation Review Report.

Future Service Delivery

The Future Service Delivery (FSD) group provides oversight for the delivery of Airservices future ATM capability and is responsible for guiding the implementation of our next generation services, including the future civil-military ATM system (CMATS) through OneSKY.

In early 2015 we commenced advanced work with Thales Australia to design and deliver CMATS, the most advanced and integrated ATM system in the world, capable of meeting the future demands of civil and military airspace users.

Through continued stakeholder engagement and strategic planning, FSD is enabling the organisational and industry transformation required to maximise the benefits and value of CMATS expected by our customers and other stakeholders. This will assist Airservices and its industry partners to prepare for the future and continue to operate in a complex aviation landscape, ensuring that Australia remains a global leader in ATM service delivery.

Coordinated long term planning ensures we deliver our current and future-state requirements with the underpinning communications, navigation, and surveillance technology in place so that we are able to deliver new value to customers during the transition to the new system and into the future.

Operations

Projected air traffic growth and increased complexity in the operating environment present continuing challenges for Airservices in meeting our customers' capacity, environmental and cost-efficiency requirements while ensuring aviation safety, and planning for future capabilities.

To enable us to effectively, efficiently and safely manage forecast air traffic growth in Australia over the next two decades, we are:

- collaborating with the DoD to replace our core ATM platform
- moving the Airservices ATM network towards a fully integrated collaborative air and ground system
- supporting the introduction of parallel runways at a number of capital city airports, the implementation of Performance Based Navigation (PBN) and the establishment of new airports.

The key to the safety, capacity and efficiency of Australia's airspace and airports infrastructure is the management of the flow of traffic and the balancing of demand and capacity. With input from our customers and other stakeholders including DoD, airports and CASA, Airservices is developing the future airspace system, which provides the basis for the development of a standard operating environment for Australian airspace through to the next decade and beyond. This will ensure the effective implementation of new airspace and air route structures to exploit the capacity increases provided by the establishment of parallel runways, PBN, and new airports.

Airservices continues to:

- build on the Airport Capacity Enhancement (ACE) Program initiatives already implemented at Brisbane, Melbourne and Perth airports. We are also collaborating with the Sydney Airport Strategic Planning Group to identify and deliver initiatives that enable us to access latent capacity for our customers in the Sydney ATM system and respond to any future developments in Sydney Basin airport capacity
- work with our customers and airports on airport collaborative decision-making (A-CDM), which aims to increase operational efficiency at airports by improving the predictability of events during the turnaround process. This involves sharing accurate and timely operational information and adapting and connecting operational procedures and systems, resulting in improved efficiency, reduced taxi times, fuel savings, and better schedule reliability for our customers.

Growth in both passenger numbers and aircraft movements at regional airports has required the construction of new ARFF services for our customers. In the future the introduction of larger, more modern aircraft fleets means service (or Category) levels at some locations such as Perth and Canberra are forecast to increase over coming years. A number of airports (including Brisbane and Melbourne) are also scheduling parallel runway developments, which will impact the demand for ARFF resources and facilities.

As a consequence Airservices is monitoring the potential need to establish new ARFF services, preparing for Category upgrades and parallel runway activity, and undertaking additional fire fighter recruitment and certified training.

In addition to providing aviation rescue fire fighting services, ARFF supports our customers, the aviation industry and the travelling public by providing first aid services and assistance to domestic fire services under mutual aid arrangements.

To inform a continuous improvement approach to our ARFF services, Airservices:

- participates in airport emergency planning committees to improve emergency response procedures at locations where ARFF services are provided
- is a member of the Australasian Fire and Emergency Service Authorities Council (AFAC), the leading industry body providing expertise and assistance in the areas of risk management and incident response
- is actively involved with peak international industry bodies and proactively engages with leading international ARFF service providers to understand and contribute to international trends and developments in the provision of ARFF services
- will work closely with the Department of Infrastructure and Regional Development in the regulatory policy review of ARFFS announced in the Government's response to the Aviation Safety Regulation Review Report.

Airservices five-year $1.2 billion capital expenditure programme includes several projects which increase our capacity to deliver services through improved infrastructure and use of technology. The capital expenditure programme is closely monitored to create value for our customers within budgetary constraints, and to meet Airservices obligations under the *Public Governance, Performance and Accountability Act 2013* to spend money in an efficient, effective, economical and ethical manner.

Labour market

Airservices must develop as an innovative, learning organisation to meet the challenges of growth, technological and workforce changes, and economic pressures. To meet these challenges, Airservices is committed to building workforce capability by attracting, developing and retaining our people for the future.

We employ around 4500 staff, including approximately 1150 air traffic controllers and 850 fire fighters (which makes the organisation one of the world's largest providers of aviation rescue fire fighting services). Our staff includes around 750 qualified technical and operational professionals to maintain existing infrastructure and deliver our extensive capital assets programme.

In line with broader Australian employment market trends, significant segments of our workforce are mature-aged. We are focused on building and enhancing our workforce planning, talent management, leadership development and workforce capability strategies to secure, retain and develop talent in an increasingly competitive market.

Through enterprise workforce planning we are able to identify:

- the future requirements to ensure a fit-for-purpose workforce
- risk controls and strategies to mitigate current and future challenges.

Airservices is committed to building workforce capability through strong collaborative leadership and developing our people through formal programmes, mentoring and experience in accordance with Airservices Learning and Development Policy and our guiding principles for education and training.

We have embarked on a long term endeavour to transform our organisational culture through the 'Our people, our future' program which will position Airservices to meet our future challenges by ensuring a collaborative, safe and trusted work environment, and a transformation-ready workforce that is outcome-and people-focused and aligned to meeting our customers' expectations.

We recognise the value of diversity and work to foster and increase the diversity of our workforce by:

- identifying and removing barriers to the progression of women into senior positions, and increasing the proportion of women in Air Traffic Services, Aviation Rescue Fire Fighting and Engineering and Technical operational roles through our *Gender Diversity Action Plan 2014–2016*
- implementing the *Airservices Reconciliation Action Plan 2012–2016* (RAP), which acknowledges and celebrates a range of culturally significant events
- providing leadership through our Diversity Council and promoting accountability for improved diversity outcomes across each business group.

Strategy

Airservices deploys a robust strategic planning framework to articulate ‘where we are now’, ‘where we are going’ and, through the strategic themes and core outcomes of our strategy map, (Figure 2) ‘how we are going to get there’.

We work to achieve our vision by targeting our resources and mobilising our people. To provide a common point of reference and alignment for the entire organisation, Airservices has defined enterprise success factors, which are the key elements that we need to ensure are in place to deliver our strategy.

The themes, the core outcomes and the key initiatives are described in detail in the following pages. Key achievements for the past 12 months are set out in the ‘Performance against previous plan’ section.

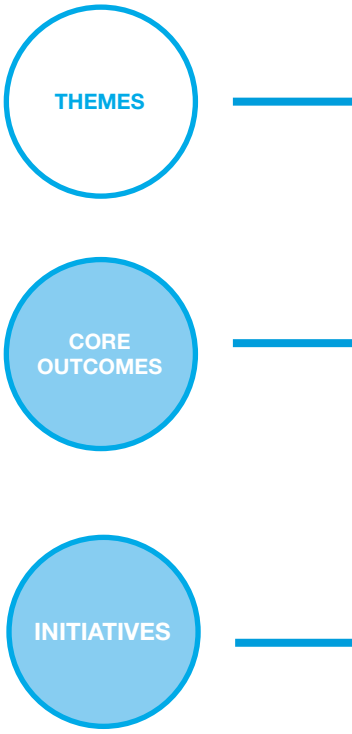


Figure 2: Airservices corporate strategy map

Connecting the Australian aviation industry to deliver world best industry performance

MAXIMISING SAFETY PERFORMANCE

- Increased public and stakeholder confidence in aviation safety.
- Improved safety of our people.
- Improved cross-industry safety performance.

HIGH PERFORMING ORGANISATION

- Our people are engaged and valued.
- A culture of service and delivery both internally and externally.
- A high-performance team.
- Strong and effective leadership.

CORE OPERATIONAL AND BUSINESS EXCELLENCE

- Industry requirements understood and exceeded in delivering services.
- Increased service and environmental efficiency within our organisation.
- Improved effectiveness and efficiency of our services.
- An integrated and harmonised service.

We use our strategy map and enterprise success factors concurrently to identify and prioritise strategic initiatives.

Government's expectations

Consistent with the current Statement of Expectations (Appendix A) and the government's aviation policy, Airservices aims to efficiently and effectively perform its statutory functions to deliver safe and high-quality air navigation and related services for the benefit of the Australian community.

In delivering these services, Airservices will maintain a financially viable and sustainable organisation that supports planned investment in infrastructure, equipment, training and personnel to meet future demands. Airservices will continue to work with the community, industry and government to minimise the environmental impact of aircraft operations and its own environmental footprint.

Airservices regards the safety of air navigation and its people as its most important consideration.

The relationship between the Statement of Expectations and specific initiatives within the plan is described in Appendix B.

The government's aviation policy will also be delivered through the strategic initiatives set out in this plan. These include:

- a major infrastructure investment programme
- introducing new technology and procedures to improve operational efficiency, airspace utilisation and minimise traffic delays
- supporting greater civil-military aviation harmonisation
- minimising the environmental impacts of aviation operations.

Objectives

Airservices will deliver on the expectations of government and maximise its performance within the Australian aviation industry by:

- maintaining safety as the highest priority in the delivery of its services and performance of its functions
- delivering efficient and effective operations
- maintaining a financially viable and sustainable organisation
- minimising the environmental impacts of aircraft operations.

01 Maximising safety performance

Airservices most important considerations are the safety and integrity of Australia's air navigation system and the wellbeing of our people. Our safety performance relies on the delivery of safe and resilient aviation services and effective industry and regional collaboration to minimise risk. The safety of our people who enable the delivery of these services is integral to Airservices safety performance.

Airservices strategic theme of maximising safety performance continues to focus on:

- delivering targeted safety benefits to the travelling public, the aviation industry and communities located near airport operations
- minimising the risk associated with key operational and workplace hazards.

Our high levels of safety are maintained and enhanced as traffic levels grow and operational complexity increases. We improve the efficiency and effectiveness of our services to our customers by:

- optimising airspace design
- delivering new services at regional aerodromes
- enhancing operational analysis
- harmonising air traffic management through OneSKY.

We host a range of local, national and regional safety collaboration activities and forums to enhance sharing of safety information and lessons learned.

A key foundation of our operational and workplace safety approach is risk management. We use our risk management framework to identify hazards and threats to safety and implement mitigation strategies to manage those risks to as low a level as is reasonably practicable.

Core outcomes

When considering the theme of maximising safety performance, there are three core outcomes that should be achieved. These outcomes and outcome descriptions are outlined below.

Outcomes	Descriptions
Increased public and stakeholder confidence in aviation safety.	Measurable improvement in the level of public and stakeholder confidence in Airservices and its safety performance through targeted and measured safety promotions, communications, community engagement and alignment.
Improved safety of our people.	Aligned organisation work health and safety (WHS) plan and training programme that is delivering measurable safety improvements making Airservices a safer place to work.
Improved cross-industry safety performance.	Enhanced internal and external safety performance through the delivery of air traffic management and aviation rescue fire fighting services.

Key performance measures and initiatives

The following measures are used to inform and articulate Airservices performance as we move towards achieving our core outcomes.

In relation to safety Airservices maintains an aspirational target of zero incidents or events. Reflecting our continuous improvement approach we also maintain and monitor operational target trends, which is reported on during and at year end.

Key indicators	Target
ATS attributed en route LoS rate Air Traffic Service attributed number of en route loss of separation occurrences (LoS) per 100 000 flight hours.	0
ATS attributed terminal area LoS rate Air Traffic Service attributed number of terminal area loss of separation occurrences (LoS) per 100 000 movements.	0
ATS attributed tower LoS rate Air Traffic Service attributed number of tower loss of separation occurrences (LoS) per 100 000 movements.	0
ATS attributed runway incursions Number of ICAO Class A or B Airservices Air Traffic Service attributable runway incursions.	0
Aircraft in critical proximity Number of Air Traffic Service attributable instances of aircraft in critical proximity.	0
Lost time injury frequency rate Lost time injuries/diseases are defined as those occurrences that resulted in a fatality, permanent disability, or time lost from work of one day/shift or more.	0
WHS occurrence rate Number of occurrences lodged (excluding dangerous incidents and non-work-related reports) for every 100 head count of employees.	0
Serious injury or illness rate Number of serious incidents lodged for every FTE million hours worked.	0
Safety management system maturity benchmark External assessment of the maturity of Airservices' Safety Management System (SMS) against the Civil Air Navigation Service Organisation (CANSO) Standard of Excellence in SMS.	Top Industry Quartile

The following key initiatives are central to achieving the core outcomes.

Key initiatives	
1.1	Continual optimisation of localised airspace design to enhance operational safety, efficiency and environmental outcomes.
1.2	Continual improvement to safety at regional aerodromes through the delivery of new services.
1.3	Improve awareness and confidence in Airservices safety performance.
1.4	Collaborate locally and internationally to support the integrity of our operations and whole-of-industry safety outcomes.
1.5	Enhance our safety management system (SMS) and safety culture.
1.6	Enhance security and resilience.

02 High-performing organisation

We depend on our people, leadership and culture to achieve our vision by attracting and retaining talented people; building a flexible, empowered and engaged workforce; and developing inspiring, values-based leadership to ensure we progress as a high-performing organisation.

Airservices strategic theme of a high-performing organisation reflects our commitment to deliver efficient and effective services to our customers through an engaged, qualified and high-performing workforce guided by strong and effective leadership.

To ensure that we are able to more effectively and efficiently meet our future challenges we are working together to build a more customer-centric organisation that is able to more flexibly and agilely respond to our customers' needs.

Enterprise workforce planning is an essential component of the Airservices Workforce Transformation Framework that will enable us to build a sustainable and fit-for-purpose workforce.

Through this process we are able to ensure service delivery to our customers by analysing workforce demand and supply using the Airservices Job Family Framework to support an enterprise-wide view of our future workforce composition requirements including:

- core skills and capability
- emerging risks and appropriate mitigation strategies.

As a Registered Training Organisation (RTO), Airservices delivers nationally recognised and accredited qualifications in air traffic control and aviation rescue fire fighting through the Airservices award-winning Learning Academy. These technical, operational, safety training requirements support our highly specialised and skilled workforce.

Core outcomes

When considering the theme of high-performing organisation, there are four core outcomes that should be achieved. These outcomes and outcome descriptions are outlined below.

Outcomes	Descriptions
Our people are engaged and valued.	A diverse workforce that is enthusiastic about its work and the future of the organisation's shared vision. This is reflected in continual improvement, both in respect to the work being undertaken and in the interactions across the organisation.
A culture of service and delivery both internally and externally.	A fully developed and embedded service delivery philosophy that clearly supports the role we all play in delivering services both internally and externally.
A high-performance team.	An organisation where all employees share a core set of values, work collaboratively, have clearly defined roles and are supported by people systems that identify, develop and retain talent.
Strong and effective leadership.	Leaders, at all levels, who live the values, working collaboratively to deliver the organisation's vision. A leadership team that is diverse, bringing together experience across the business and new knowledge.

Key performance measures and initiatives

The following key indicators guide organisational performance as Airservices moves towards achieving its core outcomes.

Key indicators	Target
Employee engagement survey Engagement score expressed as a percentage of staff commitment to Airservices and willingness to invest effort in the success of the organisation.	75th percentile
EOS diversity and inclusion index Index expressed as a percentage of the extent to which employees feel that the work environment is inclusive of all employees and supportive of diversity in the workplace (derived using seven questions from EOS survey).	75th percentile
Increased diversity Increase the number of women in leadership roles[2].	30% by Jun 2017
Increase in the number of women in operational roles[3].	
▪ 20% of new ARFF operational recruits	5 female recruits
▪ Air Traffic Control	24% by Jun 2019
▪ Projects and Engineering	22% by Jun 2019
Increase in the participation of Airservices workforce by Indigenous Australians.[4]	
Increase in the participation of Airservices workforce by people with disabilities.[4]	
Annual training demand Number of qualifications issued against accredited training (ARFF) Number of ATS recruits endorsed (ATC).	ARFF 234 ATC 80

The following key initiatives are central to achieving the core outcomes.

Key initiatives	
2.1	'Our people, our future' program to align culture and business imperatives.
2.2	Improve the alignment of key systems, processes and accountabilities through an integrated management system (IMS).
2.3	Apply the productivity framework.
2.4	Implement Airservices Education and Training Strategy.
2.5	Implement Airservices Diversity Strategy.
2.6	Refine and improve the workforce model.
2.7	Enhance management and leadership capability.
2.8	Continue to collaborate with the Department of Defence to progress harmonisation opportunities under the Australian Civil–Military ATM Committee (AC-MAC).

[2] For the calculation of the performance measure leadership roles include; Senior Leadership Team (Chief Executive Officer, Executive General Manager, General Manager, Branch Manager), Senior Management Team (Senior/ Unit Manager, ATC Line Manager)

[3] 'Operational roles' for women in Airservices are defined by the Job Families Air Traffic Services, Aviation Rescue Fire Fighting and Engineering and Technical.

[4] Targets for the participation of Indigenous Australians and people with a disability are being reviewed with the aim of setting future targets. In the interim an improvement trend will be reported.

03 Core operational and business excellence

We are focused on meeting our customers' current needs and creating new value through the services we provide by improving capacity and cost-effectiveness while maintaining safety and realising environmental benefits for industry. Our delivery of services and other agreed priorities in an efficient, effective and predictable manner is essential to the financial viability and sustainability of our customers and the organisation.

Airservices strategic theme of core operational and business excellence provides the foundation for our commitment to improve service efficiency within the organisation, as well as the effectiveness of our services to customers by better understanding their and industry's requirements.

Our core operation is the delivery of safe, efficient and effective air traffic management (ATM) and aviation rescue and firefighting (ARFF) services with minimal environmental impact. Airservices ATM platform underpins the safety and efficiency of Australian aviation, ensuring the seamless flow of aviation traffic between Australia's airports and its sequencing across our international boundaries.

To meet our customers' current expectations and to improve our service provision, the ATM platform will be replaced during the life of this plan, enabling us to:

- manage future growth and the changing profile of aircraft and operators using our airspace
- leverage opportunities and realise the benefits of harmonisation with Defence
- address current system limitations to support future evidence-based paradigm through greater data utilisation.

Initiatives under this theme focus on meeting our customers' requirements with an integrated and efficient service that is capable of meeting expected future demand.

Core outcomes

When considering the theme of core operational and business performance, there are four core outcomes that should be achieved. These outcomes and outcome descriptions are outlined below.

Outcomes	Descriptions
Industry requirements understood and exceeded in delivering services.	Services Charter that clearly articulates industry and stakeholder requirements and expectations, with measurable targets that drive organisational performance.
Increased service and environmental efficiency within our organisation.	Measurable improvements in efficiency and quality through aligned and fit-for-purpose systems, processes and behaviours that meet internal and external customer requirements.
Improved effectiveness and efficiency of our services.	Embedded systems and processes that deliver service availability which exceeds internal/external requirements in the medium term.
An integrated and harmonised service.	An operational platform and service that recognises the cross-industry linked nature and input of all airspace system users.

Key performance measures and initiatives

The following key indicators guide organisational performance as Airservices moves towards achieving its core outcomes.

Key indicators		Target
Capital Project Delivery Percentage of major and significant other projects delivered on time, within budget and within scope.		
	On time	> 90%
	Within budget	> 90%
	Within scope	> 90%
ATS availability Hours of Air Traffic Service availability as a percentage of total hours of coverage.		> 99.9%
Distribution of Airborne Delay Expressed as a percentage of the total count of flights delayed more than 15 minutes.		
	Brisbane	<10% /m
	Melbourne	<5% /m
	Perth	<7% /m
	Sydney	<5% /m
Average Airport Delay Expressed as an average delay in minutes.		
	Brisbane	5.10
	Melbourne	4.50
	Perth	5.30
	Sydney	3.30
Runway capacity achieved Percentage of maximum runway movement capacity delivered during peak periods.		> 95%
ARFF operational preparedness Percentage of time ARFF resources were available to meet required category according to the regulated service category for the aerodrome.		> 99.9%
ARFF response time Percentage of total responses to aircraft incidents on the aerodrome movement area within 3 minutes.		100%

Key indicators	Target
NCIS compliance Noise Complaints and Information Service (NCIS) compliance to prescribed response times for complaints and enquiries.	≥ 95%
Noise Improvements Investigated Number of noise improvement proposals investigated.	25 annually
Noise Information Aircraft Noise Information and Complaint Reports made available to the community and industry.	Reports for 10 locations every quarter
Stakeholder satisfaction Percentage of key stakeholders across international and domestic airlines, airports, government agencies and key industry bodies who are satisfied to very satisfied with their relationship with Airservices and the organisation's service delivery.	> 80% satisfaction
Return on Assets Airservices annual earnings as a percentage of Airservices total assets.	2.6%[5]

The following key initiatives are central to achieving the core outcomes.

Key initiatives	
3.1	Implement a harmonised core ATM system in collaboration with the Department of Defence.
3.2	Develop and implement demand and capacity management capabilities.
3.3	Improve capacity management through Airport Capacity Enhancement (ACE).
3.4	Implement world's best practice Aircraft Noise Management.
3.5	Improve operational, safety and environmental measurement, modelling and reporting.
3.6	Optimise procurement outcomes through supplier category management (SCM) and supplier relationship management (SRM).
3.7	Improve environmental management and reduce energy, water and waste footprint.
3.8	Improve alignment in airport master planning outcomes.
3.9	Continue to improve the delivery of the capital programme.
3.10	Refine and improve the aligned strategic planning framework.
3.11	Investigate scalable core service delivery options.
3.12	Implement an aligned global sustainability reporting framework.
3.13	Develop sustainable facilities and site master plans for key locations.
3.14	Enhance enterprise risk assurance management.
3.15	Implement the Technology Strategy.
3.16	Pursue alternative delivery models which enable efficient and risk-based provision of an ARFF service.

[5] The return on assets target for the next year is per the Financial Plan but the five-year average targeted return will be 4.9 per cent following price review in July 2016.

Financial plan

This five-year financial plan supports Airservices strategic objectives and builds on the financial outcomes established in previous corporate plans.

Updates have been incorporated to reflect the latest economic outlook. Key capital investment activities remain focused on the replacement of Airservices core air traffic management system. While resources have been included in the plan to support the transition to the new system, the OneSKY transition costs and staffing requirements have not been finalised and will be subject to the final systems design and implementation rollout that will be negotiated with the successful tenderer.

In comparison with the *2014–2019 Financial Plan*, financial performance shows some reduction in the rates of return, mainly due to a decline in current year airways traffic. The five-year operating projections and performance measures are shown at Table 1.

Pricing

The prices for Airservices core airways services are subject to the price notification provisions of the Competition and Consumer Act 2010. Any increase in prices must be notified to the Australian Competition and Consumer Commission (ACCC) for its review.

Airservices sets its prices with our customers using a five-year Long Term Pricing Agreement (LTPA). The current LTPA was established by Airservices and not subject to objection by the ACCC in October 2011. This allows pricing to recover all reasonably incurred costs (including a return on capital employed) relating to the delivery of services.

Through this agreement Airservices has provided price certainty for customers through to June 2016.

Operating performance

The five-year operating and performance projections are provided in Table 1. Over this period financial performance is projected to achieve an average 4.9 per cent return on assets over the next five years and a 6.5 per cent per annum average return on equity.

Revenue growth over the early planning years reflects the recent softening in domestic traffic growth. This has mainly been driven by major domestic customers consolidating services over

Table 1: Five-year operating and performance projections

Description	2015 forecast[1] ($ million)	2016 plan ($ million)	2017 plan ($ million)	2018 plan ($ million)	2019 plan ($ million)	2020 plan ($ million)
Airways revenue	990.0	1015.6	1092.0	1158.6	1219.6	1273.8
Other revenue	31.9	25.7	26.4	27.1	27.9	28.6
Total revenue	1021.9	1041.3	1118.4	1185.7	1247.5	1302.4
Staff costs	670.3	688.8	717.3	742.8	767.6	793.3
Supplier costs	181.7	177.7	186.5	192.5	198.3	212.8
Depreciation	129.2	137.4	155.1	158.3	163	164.6
Total expenses before interest and tax	981.2	1003.9	1058.9	1093.6	1128.9	1170.7
Performance						
Earnings before interest and tax (EBIT)	38.5	35.5	57.6	90.1	116.7	129.9
EBIT/revenue	3.8%	3.4%	5.2%	7.6%	9.4%	10.0%
Return on assets	2.8%	2.6%	3.7%	5.1%	6.3%	6.9%
Net profit after tax	20.2	13.5	24.0	46.2	61.8	71.6
Return on equity after tax	3.4%	2.3%	3.9%	7.2%	9.1%	9.8%
Gearing[2]	43.9%	50.6%	56.2%	56.8%	54.3%	50.8%
Returns						
Dividends	11.0	5.1	5.6	10.5	16.2	20.0

[1] December 2014 Forecast
[2] Gearing = (net debt + non trading liabilities)/ (net debt + non trading liabilities + shareholders' equity)

the last 12 months to improve their yields and profitability. Whilst we anticipate that these trends will continue in the short-term, the plan forecasts a return to growth in the later years of the plan as confidence grows off the back of a more profitable outlook and international operators continue to steadily increase capacity.

Planned costs incorporate the full year impact of new regional aviation rescue fire fighting (ARFF) services that commenced operation at Ballina, Coffs Harbour, Gladstone, Newman and Port Hedland in 2014–15.

Alongside this, the plan provides for new air traffic control tower services that may be required to address increases in regional traffic.

The cost impact of air traffic controller training and transition activities required as part of the changeover to the new ATM system has also been included over the middle planning years.

Depreciation costs are projected to increase over the term of the plan with capital expenditure peaks in the early planning years being driven by investment in OneSKY enabling infrastructure.

Capital expenditure

The five-year capital expenditure projections are provided in Table 2. The investment profile over the next five years is projected to lift above previous expenditure projections to $1.2 billion.

The sequencing and interdependencies of projects related to OneSKY have been a key consideration. Related OneSKY enabling capital expenditure works account for the majority of the program spend in the early years of the plan. In all a $675 million investment has been planned as part of OneSky and related dependent projects. The remainder of the programme comprises $506 million (43 per cent) of investment to improve and sustain current infrastructure as well as supporting new services into regional ports and future parallel runway operations at Brisbane.

Table 2: Five-year capital expenditure projections

Description	2015 forecast[3] ($ million)	2016 plan ($ million)	2017 plan ($ million)	2018 plan ($ million)	2019 plan ($ million)	2020 plan ($ million)	Total 5 years ($ million)
Future ATM system and programme dependencies	21.3	148.0	235.4	177.1	77.7	37.1	675.2
Asset renewals and sustainment (technical, airways systems)	80.7	99.2	55.0	38.6	65.5	83.9	342.2
Medium and minor, asset purchases and other	18.3	17.6	10.0	10.0	10.0	10.0	57.6
New services supporting industry growth	28.4	7.5	1.0	18.6	15.9	11.5	54.5
Service improvement programmes	21.3	12.9	9.4	0.4	-	9.0	31.7
Corporate IT, business applications and property	21.0	4.3	-	3.6	3.5	8.5	19.9
Total program	191.0	289.4	310.7	248.3	172.6	160.0	1181.1

[3] December 2014 forecast

Returns, dividends and gearing

The five-year returns, dividends and gearing projections are provided in Table 1. Over the term of the plan:

- earnings before interest and tax will average $86 million per annum
- returns over revenue are forecast at an average annual rate of 7 per cent
- returns over assets are projected at 4.9 per cent per annum.

With capital expenditure funding requirements remaining high, this plan proposes maintaining current dividend payout ratios at 30 per cent of net profit after tax. This is projected to return an average of $12 million in dividends each year.

Through sustained levels of profitability, dividend planning and management of capital expenditure funding, gearing is projected to remain within target levels and average 54 per cent over the term of the plan.

Governance and risk management

Governance

Airservices is accountable to the Australian Parliament through the Minister for Infrastructure and Regional Development and our operations are regulated by CASA.

The Minister provides a Statement of Expectations (Appendix A) and ministerial directions (Appendix C), which are a notice of strategic direction concerning the operation and performance of Airservices. Airservices Statement of Intent (Appendix B) and this plan respond to the Australian Government's expectations by identifying the organisation's key strategic priorities and initiatives.

The Board of Airservices oversees a functionally based business structure:

- The two operational groups, Air Traffic Control and Aviation Rescue Fire Fighting, are supported by the Projects and Engineering group and corporate support groups.
- The Board Audit and Risk Committee provides oversight of Airservices financial and performance reporting, Airservices system of risk oversight and management, and its system of internal control.
- The Board Safety Committee monitors and provides oversight on operational safety, workplace health and safety (WHS) and organisational security.
- The Board Environment Committee provides oversight on environmental compliance and initiatives, environmental regulatory functions and organisational strategy to address environmental issues.
- The Board Remuneration and Human Resources Committee provides oversight of human resources matters and remuneration of executives.
- The Board Technology Committee provides oversight in relation to technology, systems engineering and information technology strategies, policies and projects.

Airservices is a Registered Training Organisation. The Airservices Board of Training provides academic oversight and governance of the delivery of prioritised quality education and training outcomes.

Risk management

Airservices manages risk through the application of an enterprise risk management framework that establishes and applies processes for the effective identification and management of risks across the organisation, to maximise achievement of business objectives.

Risks and their associated management activities are centrally recorded, and are subject to quarterly review and acceptance at the group and executive levels. These reviews focus on ensuring that effective controls commensurate with the level of risk are in place, and that the risk is acceptable. A risk report, comprising the enterprise risk profile and details of changes in the preceding period, is provided to the Board Audit and Risk Committee quarterly.

Table 3: Major loss event categories

Major loss event	Risk type	Significant controls/mitigation
Operational safety	Airservices manages the identification and management of hazards within the Air Traffic Management and Aviation Rescue Fire Fighting Services groups that have potential to result in loss of life or injury due to an aircraft accident.	A comprehensive safety management system and associated safety practices exist within the organisation. This includes operational risk assessments, safety change management, safety controls assurance, operational training and certification, audit, safety incident investigations, cross–industry safety groups and forums.
Work Health and Safety	Airservices manages a diverse range of risks for Work Health and Safety associated with our work locations, nature of work and workforce. High-risk work includes construction, electrical works, work at heights, emergency rescues and remote works.	Work Health and Safety is managed under a strategic systematic improvement programme. Process controls are governed through the Safety Management System. Specialist resources support managers to address risks. Monitoring and management review programmes (for risks and health of workers) identify any deficiencies and improvement opportunities. Education and training programmes support our management of WHS risks.
Environment	Airservices manages a diverse range of environmental risks associated with the facilitation of national aviation (e.g. noise and aircraft emissions) and with Airservices operational installations (e.g. site management).	A comprehensive environment management system (EMS) provides governance for the management of Airservices environmental obligations. This includes assessment of changes to aircraft operations, development and review of environmental site plans, management of site-specific environmental hazards, delivery of training and conduct of assurance reviews. In relation to noise management, a national Noise Complaint and Information Service is staffed, an independent Aircraft Noise Ombudsman has been in place since September 2010 and a range of community and airport noise consultation forums are participated in on a regular basis. Airservices also has a strategic focus on investigating and, where possible, implementing changes that provide a noise improvement to the community.
Finance	Financial exposures may arise through a potential loss of revenue via a decline in traffic volumes as a consequence of economic conditions; the ongoing requirement to support; foreign exchange fluctuations; lease and contract commitments; a substantial capital works programme and defined benefit superannuation fund liabilities.	Airservices maintains a financial strategy that identifies areas of expenditure that could be deferred to support Airservices cash position should the economy experience significant shocks. In addition, ongoing monitoring and review occurs on all known financial exposures to ensure that appropriate hedging or mitigation strategies are in place.
Service delivery	Airservices must identify and control the potential for disruption of air traffic control, aviation navigation and fire and rescue services and their associated impact on our key stakeholders.	Through its strategic business and workforce planning, Airservices ensures that it continues to provide a professional service to the aviation industry. Airservices continues to invest in aviation infrastructure through its capital works programme.
Reputation	Management of reputation risk is concerned with the identification and treatment of risks to Airservices and the government's reputation through consideration of the potential to adversely impact on stakeholder relations and loss of goodwill.	Airservices is committed to open and timely communication with our stakeholders and the community. This is managed through a strategic approach, which uses multiple communication channels including a comprehensive communication and consultation protocol.

Performance against previous plan

Airservices *Corporate Plan 2014–2019* outlined the three strategic themes of maximising safety performance, high performing organisation and core operational and business excellence.

In addition to providing an update against the key initiatives by strategic theme in the *Corporate Plan 2014-2019*, this section outlines other major achievements for 2014–15.

01 Maximising safety performance

Update against key initiatives in the *Corporate Plan 2014–2019*

Continual optimisation of localised airspace design to enhance operational safety, efficiency and environmental outcomes.

In collaboration with the Department of Defence (DoD), we conducted a review of the procedures and air routes supporting civil aviation operations in the Darwin region. This identified opportunities to enhance both the safety and efficiency of operations in Darwin airspace through changes that better segregate arriving and departing aircraft, and generally improve the flow of traffic to and from the airport. The first draft of Darwin airspace changes to Standard Instrument Departure (SID)/ Standard Arrival Route (STAR) plates was released in Quarter 2 of 2014–15.

The Future Airspace System (FAS) provides a basis for the development of a standard operating environment for Australian airspace which will take it through to the next decade and beyond. We finalised Volume 1 of the FAS Operational Concept document and it was endorsed in December 2014 by the Air Traffic Operations - Implementation and Monitoring Group - Efficient Flight Paths (ATO-IMG-EF).

Continual improvement to safety at regional aerodromes through the delivery of new services (Surveillance Arrangements for Regional Airports – SAFRA)

On 24 July 2014, we announced plans to install 13 new Automatic Dependent Surveillance Broadcast (ADS-B) ground stations, with commissioning to commence in 2015. This will bring our national ADS-B network total to 74. Six of the new ground stations will be located in Western Australia, two in Victoria and Queensland and one each in New South Wales, South Australia and the Northern Territory.

Other safety and service enhancements at regional airports included the addition of ADS-B surveillance information to the situational awareness displays in the Hobart and Launceston air traffic control towers.

Improve awareness and confidence in Airservices safety performance.

To improve the provision of information to our customers and the general public, Airservices has:

- unveiled a new media portal on its external website to provide improved access to information
- increased our use of social media tools such as Twitter, YouTube and Facebook. Twitter has been effectively used to provide accurate and timely advice to the travelling public for network and operational issues.

To support a shared understanding we conduct air traffic control safety awareness information sessions for pilots and industry representatives covering:

- topics such as runway incursions, new procedures, aerodrome works
- operations such as circuit training, city flights and training area flights within the control zone and associated control airspace.

Collaborate locally and internationally to support the integrity of our operations and whole-of-industry safety outcomes.

To improve service delivery to our customers, we continue to deliver safety and capacity-building programmes to air navigation service providers (ANSPs) in our region.

- As part of the Indonesia Transport Safety Assistance Package (ITSAP) programme, Airservices has engaged with AirNav Indonesia to improve operational performance and safety outcomes within Indonesian airspace and particularly on our shared airspace boundary. The programme has provided assistance for Indonesia's transition to a single air navigation service provider, developed knowledge in safety incident investigation and guidance on technology planning. We are also supporting Indonesia's adoption of ADS-B by assisting them to develop standard operating procedures as well as technical capability to maintain their ADS-B equipment. ADS-B data sharing has improved surveillance of aircraft entering Australian controlled airspace and positively impacted a reduction in cross boundary incidents over the last year.
- We continue to support Papua New Guinea (PNG) with Australian Government aid funding made available through a memorandum of understanding (MoU) for cooperation between our governments. A key focus over the past year has been in providing assistance to PNG Air Services Ltd (PNGASL) as they prepare to modernise their core air traffic management, communications and surveillance systems.

As an active participant in the ICAO and Civil Air Navigation Services Organisation (CANSO) international forums, we influence the development of international best practice. Our approach to fatigue management, for example, is recognised as best practice and much of ICAO's guidance material is premised on Airservices operational experience and Fatigue Risk Management System (FRMS). Our work with industry on managing runway safety risks now also forms part of global best practice guidance.

Enhance our safety management system (SMS) and safety culture.

Building on the work of the Skysafe taskforce, Airservices continued to implement ongoing safety enhancements including:

- The short term conflict alert (STCA) is an automated tool which alerts the controller to instances where the predicted distance between two aircraft may breach the minimum requirement prior to a loss of separation event occurring. We have been trialling and increasing the STCA warning alert time available to controllers to respond to an alert. The STCA warning time for Melbourne Enroute has been increased from 60 to 90 seconds to increase the time available for a controller to respond to an alert.
- A trial began in Brisbane on 9 January 2015.

Airservices continually looks to refine its safety management practices. Efforts in 2014–15 have centred on:

- safety change management, proactive and reactive issues management and fitness for duty (including Drug and Alcohol Management and Fatigue Risk Management).
- evolving our approach to reporting and investigating of air safety occurrences to one which is underpinned by threat and error management. This forms the first part of a more integrated approach to safety assurance, the Safety Intelligence Framework, which will be phased in over the next three years.
- honing our already established safety culture premised on the most recent Safety Culture survey.

Enhance hazardous material management.

Airservices implemented an Asbestos Management Program (AMP) to ensure that we are compliant and proactive in our management of asbestos and to minimise risk of exposure. The AMP focuses on systems, processes and roles, as well as the maintenance and removal of asbestos. To date we have removed material containing asbestos from over 20 facilities.

Other major achievements

Cairns-Melbourne route change.

Following a national review of air routes by Operation Skysafe Taskforce, the Cairns-Melbourne route was changed to enable aircraft to fly parallel paths rather than at different altitudes. This revised route not only improved safety but also reduced costs for our customers by reducing flight distance, fuel burn and emissions.

Virgin Australia has indicated it will save 7675 track miles and 34 500kg of fuel each year through the route change.

Flight Plan Safety Net Alert (FPSNA) enabled over central Australia.

Airservices has been working to enhance our automated conflict alerting capabilities through the deployment of FPSNA. In December 2014, FPSNA was enabled in three sectors over central Australia which completed the planned deployment within the Melbourne Flight Information Region (FIR).

This software tool alerts controllers to a potential loss of separation between aircraft, enabling earlier intervention and a long term reduction of loss of separation incidents. It is an important extension of our existing safety controls.

Aviation Rescue Fire Fighting (ARFF) Driver Training Program.

In response to the recommendations from the Coronial inquest into a fatal accident involving an ARFF vehicle off airport in Darwin in 2011, the ARFF Driver training program was introduced in early 2014.

This program aims to improve the knowledge and skills of operational staff in driving our fire rescue vehicles under emergency response conditions off airport, with lights and sirens.

A total of 850 or over 90 per cent of aviation rescue fire fighters have completed the course.

Aircraft tracking trial.

In response to the disappearance of Malaysian Airlines Flight MH370, ICAO advised a resolution on 6 February 2015 to adopt a standard of 15 minute tracking for commercial aircraft. Establishing a minimum 15 minute aircraft position reporting interval is an improvement on the previous interval of 30-40 minutes. The frequency of aircraft tracking also increases to near real-time should a potential abnormal situation be detected. With support from our regional partners in Malaysia and Indonesia, Airservices is conducting a trial to more closely track aircraft over oceanic areas using existing satellite-based positioning technology called Automatic Dependant Surveillance – Contract (ADS-C). This technology is currently fitted to more than 90 per cent of long haul aircraft operating to and from Australia.

We have worked closely with Qantas, Virgin Australia and global satellite provider Inmarsat to successfully develop the operational concepts and trial the adaptation of this technology. The trial is being carefully monitored and performance data will be used to inform ongoing international efforts, including consideration by ICAO in developing global standards and future aircraft tracking solutions.

ATS Fatigue Risk Management System (FRMS) Review.

Airservices, Civil Air and an external fatigue risk management consultancy completed a review of the FRMS in Air Traffic Services. The focus was on the effectiveness of work scheduling requirements and the application of, and compliance with, the tactical risk assessment processes. Three areas were identified for ongoing improvement. These include:

- assessing the means by which employee shift changes can be clearly identified to better facilitate evaluation of levels of employee flexibility
- development of further awareness material that continues to promote the importance of the completion and appropriate approval of fatigue risk assessments as well as the completion of the fatigue education and awareness programme
- a review of Leave Types recognised under the FRMS to ensure that it is consistent with the accountabilities and responsibilities of employers and employees.

02 High-performing organisation

Update against key initiatives in the *Corporate Plan 2014-2019*

'Our people, our future' program to align culture and business imperatives.

Airservices undertook a culture assessment in 2012 along with work to identify the target culture that would best place us to meet our customers' expectations and upcoming challenges into the future. In 2013 the focus was on planning our culture programme as well as Executive Team development.

Over 2014 leadership development activities focused on the Senior Leadership Team and a staff-led culture journey was developed and implemented with the support of our Executive. A highlight of this journey is the series of one-day Culture Events through which our people are developing a shared understanding of the future we are working towards and how we each can contribute.

Year Two of the culture journey is again being developed and led by staff and leadership development is being cascaded down to the next level of people managers.

Our progress is measured though pulse surveys and our employee engagement survey. Early indications are that this program is making a difference to how we work together to serve our customers.

Improve the alignment of key systems, processes and accountabilities through an integrated management system (IMS).

Our IMS is designed to help us align our systems, processes and accountabilities across Airservices by mapping and modelling processes, relationships and dependencies. The project commenced in 2012 and is progressing well with the development of improved processes and the establishment of internal sustainment capabilities.

Develop and implement an organisation productivity framework.

Our Productivity and Value Framework was implemented in August 2014 to capture quantifiable information on how existing initiatives increase or enhance efficiency and productivity. It encompasses four core areas of Demand, Process, Resources and Cash flow and working capital, which, when optimised, will lead to productivity gains. We have commenced tracking our performance against the framework with an emphasis on refining quantitative measures and defining performance targets for each initiative.

Implement the Airservices Training and Education Strategy.

The Airservices Learning and Development Policy was endorsed by the Board and the underlying Education and Training Strategy continues to be implemented in alignment with the Policy. The underpinning principles of the Education and Training Strategy; prioritisation, commitment to learning, return on investment, enabling innovation and governance are embedded practices across the organisation including:

- exploring opportunities to engage third party providers (value for money through outsourcing)
- end-to-end programme optimisation and process improvement (return on investment and innovation)
- enhancing the Work Performance Framework (commitment to learning)
- transition to the new Standards for Registered Training Organisations 2015 including successful implementation of the Unique Student Identifier and submission of Airservices first Total Vocational Education and Training (VET) Report under the new legislation.

Implement the Airservices Diversity Strategy.

As part of the implementation of our Diversity Strategy our *Gender Diversity Action Plan 2014–2016* was published internally and:

- 'non-traditional roles' in relation to women in Airservices were more clearly defined and are now articulated as leadership and operational roles using our Job Family Framework
- the Board endorsed ambitious gender targets to increase the number of women in non-traditional roles. These targets have been incorporated into the *Airservices Corporate Plan 2015–2020*
- Over 60 per cent of offers made for the 2015 Graduate intake went to female graduates.

As part of the RAP:

- We have commenced a pilot for Australian School-based Apprenticeships (ASBA) for Indigenous students which enable them to undertake tertiary training and participate in the paid workforce as part of their Year 12 qualification. Our ASBA students are working towards a Certificate II in Business through the Canberra Institute of Technology (CIT).
- In collaboration with the CIT's Indigenous student support service, the Yurauna Centre, we hosted a student for work experience. A review of this will inform the development of a focused work experience pilot programme for Indigenous students.
- In Townsville our fire fighters participate in a 'Legends' programme through which they engage with local Indigenous students about career planning.
- We exhibited at the Former Origin Greats (FOGS) Indigenous Employment and Careers Expo in Brisbane, assisting indigenous job seekers with career pathways, employment and training placements.
- Our fire fighters in the remote and regional areas continue to engage with students to promote Airservices as a career. In November 2014, Broome fire fighters spoke to students and displayed a Mk8 ultra-large fire vehicle at the Clontarf Academy linked to Broome High School. The Clontarf Foundation is a not-for-profit organisation aimed at improving the education, discipline, self-esteem, life skills and employment prospects of young Aboriginal men.
- In collaboration with Broome Airport our fire fighters provide advice and training to Indigenous ground staff at the remote Lombadina Airport, 220 km north of Broome.

Refine and improve the workforce model.

Airservices developed a Workforce Transformation Framework which enables the organisation to build on our already strong foundation of committed and capable people to develop a future-proofed, resilient and fit-for-purpose workforce through the framework elements of education and training, workforce planning, diversity, employee and industrial relations, leadership development, talent management and sourcing, and personnel security.

To ensure a sustained workforce into the future, the Air Traffic Control (ATC) Workforce 2021 Program has been established with two key objectives:

- Identify and establish the supply chain to assure the supply of suitably qualified ATC staff through to 2021 with a focus on the requirements of OneSKY
- Optimise the ATC workforce supply chain to ensure the timely, cost-effective supply of competent and engaged staff.

It is anticipated that the program will be delivered in a number of phases over approximately 12-months.

The ARFF workforce planning model continues to be refined to ensure we have the required workforce to provide current and future services.

Enhance management and leadership capability.

Values-based leadership is integral supporting both our people and the 'Our people, our future' culture initiative. To set the direction for leadership development across our organisation

we have developed a Leadership Strategy and a supporting Leadership Development Framework which will be used to build the leadership curriculum.

This is underpinned by a leadership competency framework aligned to the desired cultural archetypes and key behaviours being encouraged through our culture programme.

Continue to collaborate with the Department of Defence to progress harmonisation opportunities under the Australian Civil-Military ATM Committee (AC-MAC).

In addition to the activities undertaken through OneSky, Airservices continues to collaborate with the DoD to identify and progress opportunities for harmonisation by aligning and leveraging existing and new systems and services including:

- Defence has signed a contract for Airservices to deliver ATC Approach Services to Royal Australian Air Force (RAAF) Edinburgh. Services have been operating under a Letter of Intent since 2002.
- Defence has signed a maintenance contract for support of the Comsoft Aeronautical Data Access System (CADAS).
- Airservices is responding to a request from Defence to provide ARFF and Structural Fire Fighting (SRFF) services in Darwin.
- The follow-on contract for Airservices to provide support for the Australian Super Hornet radio system has been executed.
- Defence has issued the Order Form for the Australian Aeronautical Messaging System (AAMS).

Other major achievements

MOU for reservists with Defence.

An MOU for the administration of Australian Defence Force Reservists was signed on 18 July 2014. The MOU aims to create better management of a shared workforce and support Defence Reservists who are employed with Airservices.

Airservices employs significant numbers of Australian Defence Force Reservists, from air traffic controllers, to aviation fire fighters, and technicians and engineers responsible for maintaining safety-critical aviation equipment.

Promoting careers at Airservices.

Over 2014–15 we actively promoted Airservices and aviation as a career to young people. We:

- provided eleven Victorian school students with the opportunity to take a behind-the-scenes look at our business and the diverse career paths we offer through a pilot of our 'Work Inspiration Program' in partnership with not-for-profit organisation The Smith Family
- sponsored and presented at the Aerospace Futures conference in Brisbane. This conference is aimed at university students interested in pursuing a career in aerospace
- sponsored Australia's only aviation dedicated expo, the annual Aviation Careers Expo at Brisbane Airport
- exhibited at the "Skills West Expo' in Perth which is aimed at school leavers and those considering a career change
- took part in a careers day with the Alice Springs ARFF attending the Tennant Creek High School including a display of our vehicles and equipment
- launched a new-look fitness themed recruitment campaign for our aviation rescue fire fighting roles, with a clear focus on generating increased interest from female and Indigenous candidates.

AVI Training Package progress.

The Diploma of Aviation (Air Traffic Control) qualification under the AVI Training Package underwent industry review and was submitted for endorsement to the Transport and Logistics Industry Skills Council and released for public comment in December 2014.

The new package and qualification achieves efficiencies and improves effectiveness in training outcomes by removing redundant training and by aligning our approach with industry. It will

also provide more flexibility and support RAAF harmonisation. Once endorsed a 12-month transition period will apply for the new Diploma of Aviation qualification

Operational training.

In response to workforce planning challenges, including the transition to OneSky, we are requiring greater numbers of trained and appropriately qualified staff. We:

- have realised improvements to the ATC endorsement rate pipeline resulting from enhancements to the revised end-to-end training model and efficiencies from increased training through-put, programme optimisation and improved training outcomes
- continue to meet the demand for qualifications across Certificate II to Advanced Diploma in Public Safety to assure a sustained qualified workforce in response to the introduction of new regional services, meeting industry and regulatory requirements.

In 2014–15, 15 new technical trainees graduated from the Riverina Institute of TAFE (NSW), Wagga Wagga with a Diploma of Engineering (Electrical/Electronics Communications). The graduates work at various locations around Australia and play an important role in helping maintain safety-critical aviation equipment, including instrument landing systems (ILS), radars and other air navigation aids. A further 10 new Technical Trainees commenced their training in January 2015.

Training Awards.

Airservices was recognised as one of three finalists in the 2014 Victorian Training Awards in the category of Employer of the Year. This award recognises excellence in delivery of Vocational Education and Training.

Airservices was also the national recipient of the Outstanding Leadership in Training Award at the 2014 Aviation/Aerospace Australia Awards. The award acknowledges dedication and excellence in the aviation and aerospace training sectors.

Flight deck familiarisation program.

To improve the safety, efficiency and effectiveness of our aviation services, Airservices coordinates a flight deck familiarisation programme where air traffic controllers experience the aircraft cockpit in the “jump seat” during a standard commercial flight. This programme promotes a deeper understanding between air traffic controllers and pilots of their respective operational environments.

Airservices has agreements in place for the programme with 13 of our domestic, regional and international customers.

03 Core operational and business excellence

Update against key initiatives in the *Corporate Plan 2014-2019*

Implement a harmonised core ATM system in collaboration with the Department of Defence.

Airservices is continuing acquisition of the CMATS as part of OneSKY.

After significant progress in evaluation and negotiation activities, Airservices and Defence have entered into an advanced work agreement with Thales Australia to enable commencement on the delivery of CMATS.

Deliver new regional ARFF services.

Over the past 18 months, Airservices has commenced fire services at five new fire stations, including Gladstone, Newman, Ballina, Coffs Harbour, and Port Hedland. Newman will provide a Category 7 service, while all the other new stations will provide a Category 6 service.

Develop and implement demand and capacity management capabilities.

Metron Traffic Flow (Metron) is an air traffic flow management tool which was introduced at Sydney, Perth and Brisbane airports in 2012 and Melbourne Airport in 2014. The system aims to better match runway demand with runway capacity at these airports by using a ground delay programme, where domestic aircraft participating in the programme are held on the ground at their departure airport, rather than undertaking airborne holding at the arrival airport.

Cost benefits analysis undertaken by PricewaterhouseCoopers indicates that using Metron will result in a combined annual saving of 8700 hours in airborne delay time (by 2014) across all study airports; and over a 10 year appraisal period, will produce net economic benefits that exceed its implementation and operational costs, yielding an estimated net present value of $87 million including:

- net fuel savings (from lower airborne and higher ground delay) of $181.3 million
- CO_2 emission savings of $14.9 million from lower airborne delay
- maintenance cost savings of $27.3 million from lower airborne delay.

Improve capacity management through Airport Capacity Enhancement (ACE).

Airservices is working collaboratively with the major airports and airline operators to increase airside capacity, particularly during peak traffic periods.

The ACE Program aims to make the best use of existing infrastructure to maximise efficiency. This involves improving the processes and practices of air traffic controllers (ATC), airport operators and airlines. Agreed activity under the ACE program is targeted at releasing latent airport capacity. Below are some of the initiatives undertaken by ACE teams at the major airports during the year:

- At Sydney, two new initiatives were launched:
  - provision of more efficient procedures to manage early morning international arrivals
  - exploration of upgrading Ground Based Augmentation System (GBAS) to CAT II for Sydney Airport.
- At Melbourne:
  - six capacity initiatives relating to cross unit relationships and controller performance were closed
  - radar Standard Instrument Departures (SIDs) for all turbo prop departures were successfully implemented on 11 December 2014.
- At Brisbane:
  - execution of the ACE Strategic Plan is progressing to schedule with Runway 19/14 Dependent Runway Operations (DROPS) implemented in December 2014

along with Brisbane Departures South (BDS) and the associated airspace Standard Instrument Departure (SID) and Standard Arrival Route (STAR) changes

- Brisbane Required Navigational Performance Authorisation Required (RNP – AR) Runway 01 completed the design phase.

- At Perth:
  - execution of the ACE Strategic Plan, which was re-baselined in 2013, is on schedule and is currently being integrated into the next release of the Strategic Plan
  - an Operational Performance Summary (OPS) is being developed to facilitate a comparison of runway performance against the 2012 ACE performance benchmark.

Implement aircraft noise management to support ATM service delivery.

In line with our commitment to Aircraft Noise Management, we launched enhancements to Webtrak, our online tool that allows the public to access flight activity of aircraft over the metropolitan areas of the eight major airports (Brisbane, Melbourne, Perth, Gold Coast, Canberra, Adelaide, Cairns and Sydney). This enables access to aggregated data about trends in aircraft operations and noise as well as where aircraft typically fly.

In direct response to community feedback we have:

- implemented a permanent change to southern departures from Brisbane Airport from 13 November 2014 to reduce aircraft noise impacts over Pinkenbah. This was achieved by moving the first waypoint at the end of the runway by 500 metres.
- commenced a 12-month trial in January 2015 for southern departures from Gold Coast Airport. The trial flight path has been moved to align more closely to the Banora Point Golf Course. This is being monitored and we expect it will provide a noise improvement for residents in Chinderah.
- developed and commenced implementation of a Perth Noise Improvement Plan.

In addition, Airservices continues to work with:

- Brisbane, Melbourne and Perth airports on their parallel runway projects
- Hobart and Sunshine Coast airports on their runway development projects.

Improve environmental measurement, modelling and reporting.

Improved environmental measurement, modelling and reporting will enable Airservices to identify target areas to improve ATM efficiency for our customers and improve predictive modelling of changes to determine noise and emissions impacts to inform decision making.

We have been collaborating with our customers to progress our Modelling Air Transport Efficiency (MATE) project and the Dali fuel burn and emissions model. Eight airlines have committed to providing flight data which will be used to validate the Dali fuel burn and emissions model. This will enable us to deliver fuel burn and emissions modelling to support our customers. Airservices is also scoping a range of flight efficiency metrics aimed at assessing the direct and indirect contributions of Airservices to our customers' fuel consumption and related emissions.

Optimise procurement outcomes through supplier category management (SCM) and supplier relationship management (SRM).

In 2013–14 Airservices introduced SCM and SRM to deliver efficiencies in expenditure in a number of priority categories, and enable better outcomes from critical suppliers.

At the beginning of 2014–15 we were using SRM methodology with six major suppliers (Thales, Saab Senis, INDRA , Aero Pearl, TAFE Riverina Institute, and Honeywell Pty Ltd). Over the year we have put arrangements in place with Telstra as well as Bruel and Kjaer.

Through our SCM approach we are beginning to see the standardisation of services and performance measures nationally as well as achieving substantial vendor rationalisation,

reductions in costs through a lower contracted price and efficiency gains through a reduced number of managed contracts.

A number of new national arrangements are now underway and current arrangements are being transitioned.

Improve the environmental management system and reduce energy, water and waste footprint.

Airservices has developed and executed new screening criteria for the environmental impact assessment of changes to aircraft operations. This improves the process for identifying changes that require more detailed environmental assessment, and enables changes that have very minor or no environmental impacts to be implemented without unnecessary assessment.

Airservices also completed four key components of the 2014–15 environmental assurance programme; the environmental compliance inspections of remote sites in North Eastern NSW, North Western Victoria, Central Australia and Western Australia

We also commissioned a water recycling plant at the Melbourne ARFF Hot Fire Training Ground. Training our firefighters at this facility can require up to 140 000 litres a day, and the new plant enables us to recycle 100 per cent of the water used, saving more than 30 million litres of drinking water each year.

Improve alignment in airport master planning outcomes.

Airservices continues to work with airports (federally leased and regional) to develop a proactive process for providing advice and information during the development phase of a master plan to ensure that no last-minute issues result in costly delays.

During the year, Airservices has been involved in the development of seven master plans, six of which have been approved by the Minister. Our early engagement has ensured that no issues were raised by Airservices during the public comment period and that we had no concerns when asked to comment by the Minister. All master plans were submitted by the legislated due date.

Airservices is now participating in the development of further master plans for submission in 2015. This proactive engagement process has now been rolled out to include regional airports that may benefit from collaborative strategic planning with Airservices.

Improve the delivery of the CAPEX project delivery.

Recognising the imperative of delivering a major infrastructure investment programme to ensure service delivery to our customers, as well as the opportunity to leverage improved effectiveness and efficiency through our project delivery, we have enhanced project governance and assurance through a restructure of project control groups, increased reporting to the Airservices Board and our airline customers as well as completed improvements to the project gate process.

Investigate scalable core service delivery options.

Remote Tower technology (RTT) enables management and control of air traffic at one or more remote small and medium sized airports from a single, larger Remote Tower Centre.

In August 2014, Airservices, in collaboration SAAB and Swedish ANSP Luftfartsverket (LFV) completed an evaluation of the use of Remote Tower Technology for its potential to assist in meeting the demand for towered ATC services in remote areas. The technology was trialled for the provision of aerodrome and approach control services at Alice Springs by a Remote Tower Centre located in Adelaide.

Given the current capabilities of technology, RTT is not expected to be deployed in Australia in the near term. While Airservices will continue to monitor the development of RTT globally, any further consideration of the technology will be in the context of regulatory requirements, stakeholder and capital expenditure prioritisation.

Implement an aligned global sustainability reporting framework.

We are working to improve the way we communicate our performance to our customers and other stakeholders. In May 2013 we started investigating Global Reporting Initiative (GRI) reporting, and in 2014 Airservices undertook a survey to enable us to understand the issues important to our customers and stakeholders.

This assessment will inform the development and implementation of a report structure with our first corporate sustainability report expected to be published by September 2015.

Implement an information management framework and data model.

To ensure a structured approach, Airservices coordinates information management approaches through our Enterprise Information Management Framework. This framework sets the direction of Enterprise Information Management initiatives, establishes appropriate governance, and details the delivery of information management capability. To support better storage and retrieval of data and improved information management, we have commenced:

- the deployment of a new standard operating environment
- Phase 1 of our SharePoint project including data migration testing.

Develop sustainable facilities and site master plans for key locations.

Standardised site master plans for key locations enable Airservices to set out objectives and strategies to manage development and change over time. A template for capital city site master plans was drafted as part of the development of the Brisbane Site Master Plan. Subsequent to consultation and feedback on the template, it has been used to draft site master plans for Melbourne and Perth airports. A regional location master plan for Coffs Harbour has also been developed and once finalised will be used as a template for regional airports.

New facilities delivered by Airservices consider the impact on the environment and have been designed to meet 4.5 star National Australian Built Environment Rating System (NABERS) Whole Office Building Energy rating environmental standards. In the past twelve months Airservices has opened four new aviation rescue fire fighting stations and a fit out to a new office facility in Brisbane.

Deliver the Technology and Materiel Strategy and roadmap.

Airservices has developed a Technology Strategy which guides our delivery of technology, informs our Capital Works Program and supports the service outcomes set out in the Corporate Plan. Delivery of this strategy is detailed in the Airservices Technology Plan which is aligned with the Air Traffic Management Services Plan, 2035 Vision for Australian Air Traffic Management, the Aviation Rescue and Fire Fighting Plan and the Environment Action Plan.

Other major achievements

En route radar replacement.

As part of the En route Radar Replacement (ERRP) project, a transportable radar was commissioned at Princhester (Queensland) on 25 September 2014 to provide coverage while the Mt Alma radar near Rockhampton was decommissioned on 8 October 2014.

Voice Communications System at Sydney.

The Frequentis Voice Communications System (VCS) and Tower Control and Monitoring System (TCAMS) were successfully commissioned for Sydney Airport in September 2014.

- The VCS, which is a first-of-type for Airservices, replaces the end-of-life voice switching control and monitoring system (VSCMS)
- The TCAMS replaces the non-voice switching components of the end-of-life VSCMS, providing functionality such as navaid and facility monitoring, management of current runways-in-use and display of meteorological data.

These new systems ensure a high level of availability and serviceability for our customers at our busiest airport.

Efficient Flight Paths.

Airservices established a new Australian Air Traffic Operations governance structure which acknowledges that air traffic network operations success depends on the support of stakeholders.

The first group established under this structure, the Implementation and Monitoring Group under the Efficient Flight Paths (EF) ICAO performance area, recommended the endorsement of the FAS Operational Concept, which provides a basis for the development of a standard operating environment for Australian Airspace to take us through to the next decade and beyond.

Ground Based Augmentation System (GBAS).

The Sydney GBAS was commissioned in May 2014 and is the first of its type in the southern hemisphere. It is planned to complement PBN to realise the vision of efficient, flexible satellite navigation for all phases of flight. By leveraging off existing aircraft avionics it aims to provide significant safety capacity, efficiency and environmental benefits for our customers, airports and air navigation service providers.

Airservices has signed a contract with Honeywell for the installation of a GBAS at Melbourne Airport.

Smart Tracking procedures implemented on the Gold Coast.

In November 2014, Airservices implemented permanent Smart Tracking, or Required Navigation Performance (RNP), procedures at the Gold Coast. These new procedures use the most advanced technology available to provide significant benefits to:

- industry (reduced track miles, reduced emissions, improved ability to land safely in inclement weather)
- the community (reduced noise impact). The minima for a visual approach is 700 feet; with Smart Tracking it is 500 feet. The reduction in minima enables a quieter approach by allowing a continuous descent.

New ARFF vehicles and vessels.

To ensure our fire fighters are properly equipped, over the financial year we:

- commissioned 10 Rosenbauer MK8 fire vehicles, some to replace part of the ageing fleet, and additional vehicles to support A-380 operations and Category upgrades
- replaced our older vessels with new water rescue vessels which expand our capability to perform difficult shallow water operations.

Sydney ILS Category 2 upgrade.

The ILS on the main 16 Right and 34 Left runways at Sydney Airport have been upgraded and commissioned. The upgrade reduces the decision height and visibility requirements, enhancing aircraft operating capability in poor weather.

G20 Summit.

In preparation for the G20 Summit held in Brisbane on 15-16 November 2014, Airservices participated in a number of G20 Taskforce Working Groups. Airservices worked closely with the DoD, Queensland Police and the G20 Taskforce to develop appropriate airspace procedures. We successfully ensured that minimal impact to traffic and to our customers operating in and out of Brisbane Airport.

While a slight rationalisation of flight schedules occurred due to the public holidays; no additional G20 holding fuel was promulgated and delays did not exceed current requirements.

Integrated Tower Automation Suite (INTAS) Phase 2 contract signed.

Building on the successful implementation of the INTAS at our newest towers in Broome, Rockhampton, Adelaide and Melbourne, Airservices has signed a contract to deploy this technology in Gold Coast, Perth, Cairns and Brisbane towers.

INTAS transitions away from the traditional paper-based flight progress strip system and brings operational and communication systems together in the tower environment into one digital touch screen suite. Controllers using INTAS are able to concentrate on the visual surveillance of the airport and aircraft, which supports increased situational awareness and enhances safety.

Appendix A:
Minister's Statement of Expectations

Statement of Expectations
For the Board of Airservices Australia
For the Period 1 July 2015 to 30 June 2017

Introduction

This instrument repeals the previous *Statement of Expectations for the Board of Airservices Australia for the period 1 July 2013 to 30 June 2015* made under Section 17 of the *Air Services Act 1995*.

This instrument puts in place a new Statement of Expectations (SOE) which serves as a notice of strategic direction to Airservices Australia (Airservices) under Section 17 of the *Air Services Act 1995*. This new SOE will commence on 1 July 2015 and stops having effect at the end of 30 June 2017.

The new SOE outlines in a formal and public way, my expectations concerning the operations and performance of Airservices.

I expect that the Board of Airservices will:

1. ensure that Airservices acts in accordance with the *Air Services Act 1995, Public Governance, Performance and Accountability Act 2013* (and associated regulations) as well as other relevant legislation and legal instruments; and

2. keep me and the Secretary of the Department of Infrastructure and Regional Development (the Department), fully informed of Airservices' actions in relation to the initiatives and activities stated below, and alert me to events or issues that may impact on the operations of Airservices, including the provision of timely Board reports and quarterly reports of progress against the Corporate Plan.

My expectations are that Airservices will:

3. continue to undertake effective consultation with the community, industry and Government on the development and implementation of significant changes by Airservices to air traffic and aviation rescue and fire fighting services;

4. continue to implement Government air traffic management and other airspace policy initiatives (in conjunction with the Department, the Australian Transport Safety Bureau (ATSB), the Civil Aviation Safety Authority (CASA) and the Department of Defence) including those arising out of the Government's response to the Aviation Safety Regulation Review Report;

5. engage constructively in processes where it can provide information, assistance or advice for policy formulation, implementation and regulation undertaken by Government agencies, both within and outside my portfolio;

6. assist in implementing the Government's environmental initiatives including:

   (a) supporting the ongoing role of the independent Aircraft Noise Ombudsman (ANO) and implementation of agreed recommendations made by the ANO;

(b) the appropriate resourcing of the Noise Complaints and Information Service to continue to improve the flow and quality of information to noise affected communities;
(c) providing and reporting against an annual environmental work plan which outlines Airservices key initiatives in managing and monitoring the environmental effects of aircraft operations;
(d) the ongoing commitment to the Sydney Airport Long Term Operating Plan; and
(e) the wider use of Required Navigation Performance (RNP) approaches, as appropriate, at Australian airports following consultation with other Government agency, community and industry stakeholders;

7. contribute to a coordinated approach to airport planning including appropriate participation in, and providing information to, planning coordination forums, community aviation consultation groups, and the National Airports Safeguarding Advisory Group;

8. provide a clearly defined Aviation Rescue and Fire Fighting Service (ARFFS) for civil operations at civil and joint-user airports that meet the establishment criteria in the Civil Aviation Safety Regulations 1998;

9. progress the implementation of agreed joint civil and military aviation harmonisation initiatives with the Department of Defence including Airservices acting as the lead agency on the future joint air traffic control system project;

10. continue investment in future infrastructure upgrades and replacement programmes as demonstrated in a detailed capital expenditure programme, including enhanced air traffic and surveillance services at regional airports;

11. ensure the efficient, on budget and timely delivery of Airservices' capital expenditure programme;

12. commit to a strong focus on human resource issues, consistent with Government workplace policies, including publication of an annual update of the Airservices Australia Workforce Plan, and the development and implementation of proactive recruitment, training and retention policies;

13. continue to support the Government's safety initiatives in the Asia-Pacific region; and

14. adhere to values and a code of conduct that maintains high standards of professionalism, customer service, probity, reporting, accountability and transparency, consistent with excellence in the public sector.

WARREN TRUSS
Minister for Infrastructure and Regional Development
15 June 2015

Appendix B:
The Board's Statement of Intent and alignment of key initiatives

The Airservices Board's Statement of Intent responds to the Statement of Expectations (July 2015 to June 2017) received from the Minister for Infrastructure and Regional Development and states Airservices formal commitment to meeting the expectations of the Minister.

By aligning each key initiative from within this Corporate Plan to our Statement of Intent, Airservices is able to demonstrate the action we will undertake to meet the Minister's Expectations over 2015–2017.

Statement of Expectations	Statement of Intent	2015–2020 initiatives
1. Stakeholder Engagement Continue to undertake effective consultation with the community, industry and Government on the development and implementation of significant changes by Airservices to air traffic and aviation rescue and fire fighting services.	Airservices will consult with key stakeholders in Government and industry and participate in relevant community, industry and Government forums to support the integrity of operations and whole-of-industry safety outcomes.	1.3 Improve awareness and confidence in Airservices safety performance. 3.4 Implement world's best practice Aircraft Noise Management.
2. Implementing relevant Government Air Traffic Initiatives Continue to implement Government air traffic management and other airspace policy initiatives (in conjunction with the Department, the Australian Transport Safety Bureau (ATSB), the Civil Aviation Safety Authority (CASA) and the Department of Defence) including those arising out of the Government's response to the Aviation Safety Regulation Review Report.	Airservices will continue to work cooperatively with the Department and Government agencies through the Aviation Policy Group and other forums to implement relevant air traffic management and other airspace policy initiatives.	1.1 Continual optimisation of localised airspace design to enhance operational safety, efficiency and environmental outcomes. 1.2 Continual improvement to safety at regional aerodromes through the delivery of new services 1.4 Collaborate locally and internationally to support the integrity of our operations and whole of industry safety outcomes. 1.5 Enhance our safety management system (SMS) and safety culture. 2.8 Continue to collaborate with the Department of Defence to progress harmonisation opportunities under the Australian Civil–Military ATM Committee (AC-MAC). 3.1 Implement a harmonised core ATM system in collaboration with the Department of Defence. 3.4 Implement world's best practice Aircraft Noise Management. 3.8 Improve alignment in airport master planning outcomes. 3.16 Pursue alternative delivery models which enable efficient and risk-based provision of an ARFF service.

Statement of Expectations	Statement of Intent	2015–2020 initiatives
3. Provision of Information, Assistance or Advice Engage constructively in processes where it can provide information, assistance or advice for policy formulation, implementation and regulation undertaken by Government agencies, both within and outside my portfolio.	In line with the Government's policy, Airservices will coordinate and foster aviation industry relationships. Airservices will continue to participate in cross-agency forums and provide technical advice to assist with policy formulation in areas such as safety, airspace policy, airport planning and aviation environmental impacts.	1.3 Improve awareness and confidence in Airservices safety performance. 1.4 Collaborate locally and internationally to support the integrity of our operations and whole of industry safety outcomes. 1.6 Enhance security and resilience. 3.8 Improve alignment in airport master planning outcomes.
4. Environmental Responsibilities Assist in implementing the Government's environmental initiatives including: a. supporting the ongoing role of the independent Aircraft Noise Ombudsman (ANO) and implementation of agreed recommendations made by the ANO; b. the appropriate resourcing of the Noise Complaints Unit to continue to improve the flow and quality of information to noise affected communities; c. providing and reporting against an annual environmental work plan which outlines Airservices key initiatives in managing and monitoring the environmental effects of aircraft operations; d. the ongoing commitment to the Sydney Airport Long Term Operating Plan; and e. the wider use of Required Navigation Performance (RNP) approaches, as appropriate, at Australian airports following consultation with other Government agency, community and industry stakeholders.	Airservices will continue to develop air traffic management and aviation rescue fire fighting initiatives to improve the environmental performance of operations. Airservices will implement an Environment Strategy with an action plan with particular emphasis on the management of aircraft noise and its impact on affected communities. Specifically, Airservices will: ▪ consult with the community on aircraft noise issues ▪ enhance management of the Noise Complaints Information Service to enable improved complaints handling ▪ maintain an independent Aircraft Noise Ombudsman's Office ▪ implement the recommendations of the Aircraft Noise Ombudsman. Airservices will focus on implementing a range of new systems and tools across the core air traffic management suite that support optimal operations, including performance based navigation, to improve capacity, enhance safety, improve cost effectiveness, realise environmental benefits and meet customer needs.	1.1 Continual optimisation of localised airspace design to enhance operational safety, efficiency and environmental outcomes. 3.2 Develop and implement demand and capacity management capabilities. 3.3 Improve capacity management through Airport Capacity Enhancement (ACE). 3.4 Implement world's best practice Aircraft Noise Management. 3.5 Improve operational, safety and environmental measurement, modelling and reporting. 3.7 Improve environmental management and reduce energy, water and waste footprint.
5. Airport Planning Contribute to a coordinated approach to airport planning including appropriate participation in, and providing information to, planning coordination forums, community aviation consultation groups, and the National Aviation Safeguarding Advisory Group.	Airservices will continue participation in the National Aviation Safeguarding Advisory Group and other relevant forums and maintain a high level of stakeholder and community satisfaction.	3.4 Implement world's best practice Aircraft Noise Management. 3.8 Improve alignment in airport master planning outcomes.

Statement of Expectations	Statement of Intent	2015–2020 initiatives
6. Provision of Aviation Rescue and Fire Fighting Services (ARFFS) Provide a clearly defined Aviation Rescue and Fire Fighting Service (ARFFS) for civil operations at civil and joint-user airports that meet the establishment criteria in the *Civil Aviation Safety Regulations 1998*.	Airservices Aviation Rescue Fire Fighting (ARFF) service will continue to operate in line with relevant Civil Aviation Safety Regulations and in cooperation with State and Territory fire authorities. Airservices will continue to pursue outcomes based operating regulations for ARFF and establish Memoranda of Agreement as to roles and responsibilities established with State and Territory fire authorities for all airport locations.	1.2 Continual improvement to safety at regional aerodromes through the delivery of new services. 3.11 Investigate scalable core service delivery options. 3.16 Pursue alternative delivery models which enable efficient and risk based provision of an ARFF service.
7. Joint Civil and Military Aviation Harmonisation Progress the implementation of agreed joint civil and military aviation harmonisation initiatives with the Department of Defence including Airservices acting as the lead agency on the future joint air traffic control system project.	Airservices act as lead agency with the Australian Department of Defence to harmonise civil and military air traffic management operations to improve operational efficiency and cost effectively manage increasingly complex civil military airspace integration requirements.	1.6 Enhance security and resilience. 2.8 Continue to collaborate with the Department of Defence to progress harmonisation opportunities under the Australian Civil–Military ATM Committee (AC-MAC). 3.1 Implement a harmonised core ATM system in collaboration with the Department of Defence.
8. Future Investment in Technology and Infrastructure Continue investment in future infrastructure upgrades and replacement programmes as demonstrated in a detailed capital expenditure programme, including enhanced air traffic and surveillance services at regional airports.	Airservices will work collaboratively across the industry to anticipate, understand and plan for future needs. Airservices will develop a long-term plan for the replacement of the core air traffic management system to deliver operational flexibility and robust business continuity while meeting capacity growth and increasing flexibility.	3.8 Improve alignment in airport master planning outcomes. 3.9 Continue to improve the delivery of the capital programme. 3.10 Refine and improve the aligned strategic planning framework. 3.13 Develop sustainable facilities and site master plans for key locations. 3.15 Implement the Technology Strategy.

Statement of Expectations	Statement of Intent	2015–2020 initiatives
9. Efficient Capital Programme Ensure the efficient, on budget and timely delivery of Airservices' capital expenditure programme.	Airservices will continue to deliver on its capital expenditure programme, which includes OneSKY and numerous other capital infrastructure and asset replacement projects. Airservices' capital expenditure programme is prioritised such that we can continue to provide safe air traffic management and aviation firefighting services, and maintain this high level of service with forecast capacity growth. Through our capital programme we are committed to providing innovative technological solutions to increase efficient service delivery for the aviation industry. We are focussed on creating value for our customers while improving delivery within budget constraints. The capital expenditure programme is carefully monitored to ensure Airservices meets its obligations under the Public Governance, Performance and Accountability Act 2013 to spend money in an efficient, effective, economical and ethical manner.	3.9 Continue to improve the delivery of the capital programme.
10. Sustainable Workforce Planning Commit to a strong focus on human resource issues, consistent with government workplace policies, including publication of an annual update of the Airservices Australia Workforce Plan, and the development and implementation of proactive recruitment, training and retention policies.	Airservices will attract and retain talent, deliver a flexible, empowered and engaged workforce that is supported by strong leadership. Airservices will develop leaders who are focussed on guiding and motivating the organisation's workforce to deliver future outcomes and will create opportunities for individuals to develop and excel and to ensure the workforce as a whole is ready to take on challenges of the future. Airservices will provide an annual Workforce Plan update, with specific emphasis on increasing workforce diversity, and developing a values based culture that does not tolerate bullying and harassment.	1.5 Enhance our safety management system (SMS) and safety culture. 2.1 'Our people, our future' program to align culture and business imperatives. 2.4 Implement Airservices Education and Training Strategy. 2.5 Implement Airservices Diversity Strategy. 2.6 Refine and improve the workforce model. 2.7 Enhance management and leadership capability.
11. Asia-Pacific Regional Aviation Safety Continue to support the Government's safety initiatives in the Asia-Pacific region.	Airservices will collaborate internationally with neighbouring partners and support the Australian Government's aviation safety initiatives in the Asia Pacific region to improve the safety outcomes for the industry across the region. In particular, Airservices will assist air navigation service providers in Indonesia and Papua New Guinea to build air traffic service capability to facilitate increased safety, harmonisation and integration of air traffic management with Australia's adjoining airspace.	1.3 Improve awareness and confidence in Airservices safety performance. 1.4 Collaborate locally and internationally to support the integrity of our operations and whole of industry safety outcomes.

Statement of Expectations	Statement of Intent	2015–2020 initiatives
12. Public Sector Professionalism and Accountability Adhere to values and a code of conduct that maintains high standards of professionalism, customer service, probity, reporting, accountability and transparency, consistent with the Government's aim of excellence in the public sector.	Airservices will continue to maintain a high level of compliance with relevant legislative requirements, policy and guidelines and will provide regular reporting to industry with performance KPIs embedded in the Service Charter. This will be supported by a comprehensive internal audit programme. Airservices will maintain integrated management systems that support and promote excellence.	1.6 Enhance security and resilience. 2.2 Improve the alignment of key systems, processes and accountabilities through an integrated management system (IMS). 2.3 Apply the productivity framework. 3.6 Optimise procurement outcomes through supplier category management (SCM) and supplier relationship management (SRM). 3.7 Improve environmental management and reduce energy, water and waste footprint. 3.10 Refine and improve the aligned strategic planning framework. 3.12 Implement an aligned global sustainability reporting framework. 3.14 Enhance enterprise risk assurance management.

Appendix C:
Current ministerial directions

Calendar year	Date of issue	Subject
1996	29 May	Handling of aircraft noise complaints at Sydney and other federal airports.
1997	30 July	Progressive implementation of Sydney Long Term Operating Plan.
1999	3 May	Responsibilities in relation to the environmental effects of aircraft.
2004	31 August	Provision of approach radar services at specific airports.

List of acronyms

AC-MAC	Australian Civil-Military ATM Committee
ACCC	Australian Competition and Consumer Commission
ACE	Airport Capacity Enhancement
ADS-B	Automatic Dependent Surveillance Broadcast
ANO	Aircraft Noise Ombudsman
ANSP	Air Navigation Service Provider
ARFF	Aviation Rescue Fire Fighting
ARFFS	Aviation Rescue and Fire Fighting Services
ASBA	Australian School-based Apprenticeships
ATC	Air Traffic Control
ATM	Air Traffic Management
ATO-IMG-EF	Air Traffic Operations - Implementation and Monitoring Group - Efficient Flight Paths
ATS	Air Traffic Service
CANSO	Civil Air Navigation Services Organisation
CASA	Civil Aviation Safety Authority
CIT	Canberra Institute of Technology
CMATS	Civil-Military ATM System
DoD	Department of Defence
EBIT	Earnings Before Interest and Tax
FAS	Future Airspace System
FPSNA	Flight Plan Safety Net Alert
FRMS	Fatigue Risk Management System
FSD	Future Service Delivery
GBAS	Ground Based Augmentation System
GDP	Gross Domestic Product
ICAO	International Civil Aviation Organization
ILS	Instrument Landing System
IMS	Integrated Management System
INTAS	Integrated Tower Automation Suite
LoS	Loss of Separation
LTPA	Long Term Pricing Agreement

MATE	Modelling Air Transport Efficiency
MOU	Memorandum of Understanding
Metron	Metron Traffic Flow
NABERS	National Australian Built Environment Rating System
NCIS	Noise Complaints and Information Service
OneSKY	OneSKY Australia Program
PBN	Performance Based Navigation
PNGASL	PNG Air Services Ltd
RAAF	Royal Australian Air Force
RAP	Reconciliation Action Plan
RNP	Required Navigation Performance
RTO	Registered Training Organisation
RTT	Remote Tower Technology
SCM	Supplier Category Management
SMS	Safety Management System
SOE	Statement of Expectations
SRM	Supplier Relationship Management
STCA	Short Term Conflict Alert
TCAMS	Tower Control and Monitoring System
VSCMS	Voice Switching Control and Monitoring System
VCS	Voice Communications System
VET	Vocational Education and Training
WHS	Work Health and Safety

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