



# New Metro Service Centre Program Evaluation Report

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## Document Sign-Off

### Evaluation Sponsor

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### Project Sponsor

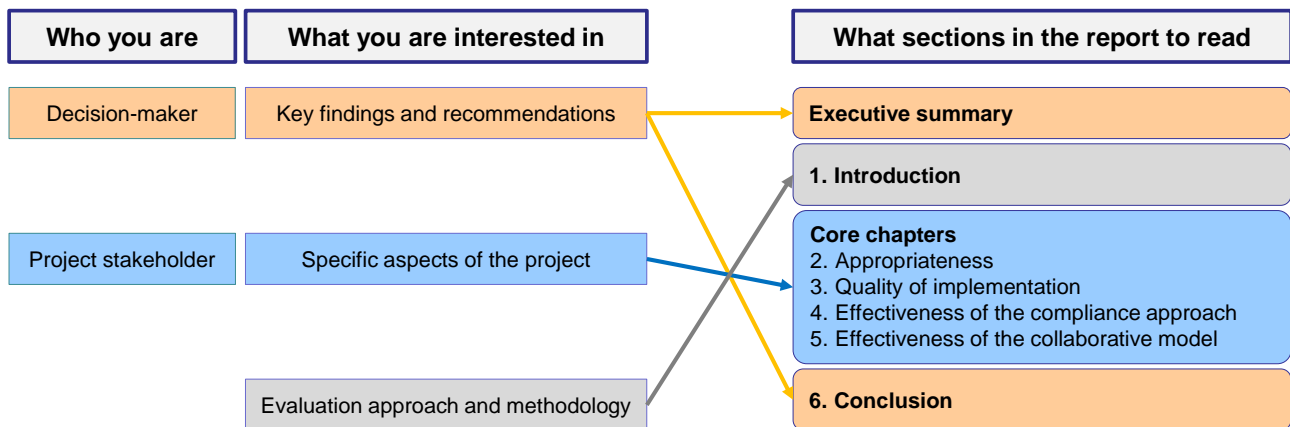
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Christine Kosorukow (Executive Director, Service Delivery – Frontline)	21 August 2023

# This document

## How to read

This report has several levels of reading depending on the role or perspective of the reader as explained in the reading guide pictured in Figure 1. Sections have active headings in the form of key findings to make it easier for the reader to identify areas of interest.

Figure 1. How to read guide



## Acknowledgement

This work was completed with the assistance of Working Group members; Christina Totsis, Maria Cowley and Grant Cremer.

We would also like to thank the key informants from Service NSW and Department of Customer Service we interviewed as part of this evaluation. We thank them for their time and insights and trust that their views are adequately represented in this report.

The evaluation team:

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# Glossary

<b>Term</b>	<b>Definition</b>
DCS	Department of Customer Service
NMSC	New Metro Service Centres
CSAT	Customer Satisfaction Score
Demand	Number of customers attending a Service Centre
OPEX	Operating Expenditure
CAPEX	Capital Expenditure
KEQ	Key Evaluation Question
PDNSW	Property and Development NSW
CBD	Central Business District
PMES	People Matter Employee Survey

# 1. Executive Summary

## 1.1 New Metro Service Centres (NMSC) Program

### 1.1.1 Background

The New Metro Service Centres (NMSC) Program will deliver 10 new Service Centres across metropolitan Sydney over 4 years (2020-2023).

The Program is an election commitment and a Ministerial priority program. It was announced by the NSW Premier on 12th February 2019 and was included in the 2019-2020 NSW Budget. Service NSW was made responsible for the delivery, project monitoring, and ongoing support of the Program.

The Program was formed as metropolitan Service Centres had reached capacity, due to customer popularity and the broadening of Service NSW service offerings over time. The aim of the Program was to provide greater access for customers to Service NSW Service Centres while providing enhanced digital support.

The new Service Centre sites were chosen either from areas with strong expected population growth and accompanying customer demand or areas that would alleviate demand on established Service Centres, operating above 80 percent utilisation. The new Service Centres would adopt the digital-first concept, based on the Woy Woy Digital Hub trial, generally increasing the digital capability of the Service Centres and of the NSW public sector.

The objectives of the Program (as identified in the Project Management Plan<sup>1</sup>) are to:

- increase the Service NSW footprint in Sydney's growth suburbs to ensure everyone has access to a conveniently located Service Centre
- relieve pressure on existing Service Centres which are over capacity
- ensure that Service NSW continues to deliver world-class customer experience
- align with the Greater Sydney Commission vision of a Metropolis of Three Cities by placing new Service Centres in high-growth corridors

The benefits (as identified in the Project Management Plan<sup>2</sup>) are to:

**Improve customer experience** – The new Service Centres will enhance service delivery, provide greater access to Service Centres, and will reduce pressure in existing Service Centres. Reducing pressure in existing Service Centres will improve customer wait times.

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<sup>1</sup> Project Management Plan New Metro Service Centres

<sup>2</sup> Project Management Plan New Metro Service Centres



**Provide better government digital services** – The new Service Centres will adopt a digital-first approach, enhancing the digital experience by increasing access to, and awareness of, fast self-serve or assisted self-serve digital services. The new Service Centres enable Service NSW to transition customers from conducting lower complexity transactions in Service Centres to online methods and increasing in-store capacity to respond to more complex and personalised transaction needs in Service Centres. Simultaneously, the new Service Centres will reduce the need and cost associated with handling cash as more cash transactions transition to online payment options.

**Support expansion of services** – As new services and transactions are offered through Service NSW, the additional Service Centres will enable expansion of these services to more areas across metropolitan Sydney and provide flexibility for upgrades and modifications as future service offerings and customer demand patterns change.

**Increase access to government services** – The new Service Centres will provide greater access to government services in high growth areas.

The **timeframe** for the Program was announced, in February 2019, to run until the end of June 2023, when all new Service Centres were anticipated to be opened.

The **budget** for the Program is **\$14.85m in CAPEX**, and **\$57.6m in OPEX**, with agreements for variation to be sought as needed to cover any shortfalls.

## 1.2 The evaluation

This evaluation seeks to evaluate the NMSC Program by exploring four Key Evaluation Questions:

- Did the Program realise the expected benefits derived from the Program objectives?
- Was the site selection appropriate for the Program to achieve its benefits?
- Was the Service Centre digital-first design appropriate for the Program to achieve its benefits?
- Did the Service Centre delivery process contribute to success?

Proposed methods to answer Key Evaluation Questions included:

- Project documentation reviews
- Quantitative analyses of operational data
- Stakeholder interviews
- Quantitative and qualitative analyses of online and in-store (intercept) customer survey responses

These data were critical to assessing the impact of the Program on the outlined benefits and customer service, in particular.

A key limitation for the evaluation was the lack of reliable baseline data for comparison of current and previous customer experience levels, especially in combination with the distortions in data created by COVID lockdowns. However, this issue is mitigated by the significant amount of data available before and since the pandemic.

Further, existing data that measures the take up of digital options in the new Service Centres is limited due to the inability (in many circumstances) to track a unique customer between Service NSW's different data capture systems. In addition, existing customer feedback mechanisms were unable to capture sentiment around specific digital and design elements of the new Service Centres. To mitigate these gaps, online and in-store customer surveys were conducted with the assistance of an external vendor.

Overall, the evaluation team was able to implement the methods as intended, mitigating the impacts of key risks and limitations.

## 1.3 Key findings:

### 1.3.1 Did the Program realise the expected benefits derived from the Program objectives?

Overall, the Program was able to realise the following benefits:

- **Improve customer experience.** The Program has demonstrably contributed to an improved customer experience with the addition of the six new Service Centres. However, geographical constraints likely dampened North Sydney Service Centre's ability to alleviate network stress at the cross-harbour Wynyard location.
- **Support expansion of services.** It is evident that some of the new Service Centres, and particularly the North Sydney, Edmondson Park, and Engadine Service Centres, may be sized for future rather than existing demand. While this is likely to have a positive impact on wait times over the short term and support future service offerings over the long term, it may be that excess capacity is prioritised over digital spaces in the design of these new Service Centres. The new Service Centres' designated digital spaces are not dissimilar to the metropolitan standard and no new Service Centre has a designated digital space commensurate to the Woy Woy Service Centre, the blueprint for digital-first Service Centres.
- **Increase access to government services.** The new Service Centres ensured greater access to government services in high growth areas and increased the number of citizens with convenient access to Service Centres. All new Service Centres improved the metropolitan percentage of customers located within 5kms of a Service Centre.

While it can be expected that these new Service Centres should improve citizen access to services to some degree, positioning these Service Centres in high growth areas, particularly Edmondson Park and Merrylands, acts to future proof the network in preparation for forecast population growth. Similarly, the North Sydney Service Centre

ensures customers in high commuter areas or Central Business Districts (CBDs) are supported as well.

However, while the new Service Centres do appear to be diverting customers towards online self-service options in the Service Centres, increasing customer awareness of digital options, it is difficult to conclude that the Service Centres are yielding a substantial customer digital uptake as outlined in the **Provide better government digital services** Program benefit. While digital take up for these new Service Centres has improved over time, the results are not dissimilar to the network mean and none of the Service Centres are realising the digital take up levels of the Woy Woy Service Centre. Further, Service Centre design objectives have evolved over the course of the Program. Rather than adhering to digital-first design principles, Service Centre design has prioritised adaptability to customer needs at new Service Centre locations. In this way the Program has seen a greater focus on the **Support expansion of services** benefit outlined above.

### 1.3.2 Was the site selection appropriate for the Program to achieve its benefits?

Overall, the site selection for the new Service Centres was appropriate for the Program to achieve the Program benefits. The Service Centres have generally provided relief to their surrounding Service Centres in terms of counter and Driver Testing demand. Further, these new Service Centres service their main customer base in similar proportions to the metropolitan network standard, indicating that customers are not deterred from attending the new Service Centre by any physical qualities of the site's location. There was little evidence from the qualitative surveys that customers found the new Service Centres to be inconvenient to access, while overwhelmingly across the intercept and online survey results, proximity of a Service Centre, whether new or existing, to a customer's place of residence is the single most important factor in deciding which Service Centre to visit.

However, while this is generally the case for the new Service Centres, the quantitative measures do highlight certain new Service Centres where site selection may be impeding service levels:

- The geographical constraints on the North Sydney Service Centre in alleviating the Wynyard Service Centre are evident. A contributing factor may be the proximity of the site to the nearest train station, which is a greater distance for North Sydney than is the case for the neighbouring Wynyard Service Centre, potentially deterring commuter traffic. The North Sydney Service Centre site location was chosen with proximity to the Victoria Cross Metro station in mind, which at the time of reporting is incomplete. With the Metro station in operation it is likely to improve commuter access to the Service Centre, although not necessarily to the degree that demand is alleviated at the Wynyard Service Centre.
- The Edmondson Park Service Centre did relieve capacity in the Macarthur Service Centre. However, it was unable to meaningfully support the Liverpool Service Centre by alleviating Driver Testing demand. Geographically, the suburb location of the Edmondson Park Centre is convenient for customers in growth suburbs to its

immediate south and west; however, it is apparent that the populous suburbs to the north and east continue to visit the Liverpool Service Centre.

- Although the Roselands Service Centre has relieved capacity in the surrounding Service Centres, it does not seem to be attracting the customer share from its most active postcode common to the metropolitan standard. This suggests that customers may still feel the neighbouring Bankstown Service Centre is a more conveniently accessible site.

The implication for the Roselands Service Centre is not necessarily that the Service Centre is not accessible; it may instead be a factor of its proximity to its surrounding Service Centres, which is serviced by both rail and buses. It is evident, however, that customer flow to this new Service Centre does not behave in a similar manner to the metropolitan average.

### **1.3.3 Was the Service Centre digital-first design appropriate for the Program to achieve its benefits?**

Overall, the design of the new Service Centres did appear to contribute to the Program achieving Program benefits. Customers are directed to digital options and are not deterred by the cashless Service Centre design, increasing their digital awareness, wait times are not compromised by digital spaces and staff are engaged by their surroundings. However, it is apparent that the new Service Centres do not have the digital focus of the Woy Woy Service Centre.

Indications are that customers to the new Service Centres, rather than being deterred from attending the new Service Centres, are inclined to engage with the new design attributes, such as self-serve kiosks and cashless transacting. Additionally, it is already evident that the new Service Centres have alleviated demand pressures on their surrounding Service Centres, further supporting the finding that the design of the new Service Centres is not a deterrent to attendance or to service levels.

Overwhelmingly, the customer intercept surveys indicate that customers can easily navigate the new Service Centres and that the design enhances their experience. The results suggest customers appreciated that the overall design was modern and that it minimised wait times, however, with no indication that customers necessarily appreciated the greater digital focus of the design.

It is apparent from the data and intercept survey results that some of the new Service Centres are physically sized for future rather than existing demand. This physical sizing for expansion is in line with the Program's objectives, where a clearly outlined benefit is to 'Support expansion of services'. However, it appears counters are prioritised over digital spaces in the design of the new Service Centres.

### 1.3.4 Did the Service Centre delivery process contribute to success?

Overall, engagement processes and governance arrangements were in place, adhered to, and contributed to success. Governance structures for decision-making were sufficient to deliver the new Service Centres and the Program's partner engagement was effective. Although original budget was exceeded due to unforeseen factors (e.g., COVID-19 impacts, inflationary pressures and increased tenancy sizes), many controls were employed to prevent an even higher budget overspend, including the Project team negotiating significant lessor contributions.

The level and methods of stakeholder engagement have been consistent and effective throughout the duration of the Program. Governance arrangements and processes did evolve over time, which has caused a small number of communication breakdowns and ambiguity in governance processes. However, all stakeholders agreed that this did not negatively impact the delivery of the Program and in fact the ability of the Project team to adapt to unforeseen impacts and to changes in expectations of decision makers, such as an evolving Service Centre design, was seen as an asset to the success of the Program.

The decision-making governance arrangements employed throughout the Program were conducive to success. Effective stakeholder communication and decision-making processes, and the ability to manage rapid decision-making played vital roles in the successful delivery of the Program. While changes to the Program scope occurred over time, governance arrangements enabled the Program to adapt to evolving business and customer needs. However, documentation regarding why decisions are made, particularly by the Working Group and when rapid decision making was required, would help inform decisions for future Service Centre releases.

Stakeholders were satisfied with the overall program delivery and the effectiveness of vendor engagement. Collaboration and communication were deemed timely and informative between the Project team and internal and external providers. The Program was delivered in a timely manner and to a high build quality, even considering challenges with stakeholder availability and the unforeseen circumstances referred to above.

At Program initiation, the Project team were required to rapidly transition from their responsibilities rolling out Service Centres as part of the RMS-to-Service NSW brand conversion. As a result, formalised Program initiation documents, such as the Program Management Plan, appeared to be missing from the Program. Were the Program to have an initiation phase, with thorough planning and formalised documentation, it is likely that greater clarity about roles and responsibilities, design principles, recruitment requirements and Program objectives may have been achieved.

Further, the Program determined a Benefits Realisation Framework to be superfluous for the Program to meet objectives which contributed to uncertainty of scope. There appeared to be a culture of continuous improvement and adaptability across the program delivery, as noted in the stakeholder interviews with the improved engagement with DCS ICT, and regular post-implementation reviews / lessons learnt exercises after each Service Centre opening. A more formal 'lessons learnt' focus, resources permitting, at other key phases of the Program, such

as, end of design or mid-way through the Program, may have supported the Project team to communicate concerns about decision making, design requirements, and staffing expectations with each new Service Centre delivered.

Financially, while there were a number of factors that impacted costs, such as COVID, resource scarcity driven inflation, timeline pressures, and unsuitable tenancy options, the primary factor in the new Service Centres running over original budget appears to be the unbudgeted-for increases to counter numbers and therefore tenancy sizes of the new sites. Budget expectations for each new Service Centre were derived using pre-determined, capacity-based estimates of counter numbers. Mid-flight adjustments to these numbers occurred at four of the six new Service Centres, in each case resulting in an overspend.

## 1.4 Recommendations

A total of seven recommendations were identified across three areas. Implementation of these recommendations will contribute to the future success of the NMSC Program and other similar construction programs across Service NSW.

Area	Recommendation
Program design	<ol style="list-style-type: none"> <li data-bbox="571 1021 1430 1429">1. For future Service Centre design, construction, and delivery Programs, program planning is to occur as early as possible, and an approved Program Plan and Program Management Plan should be created at initiation. While Program benefits are outlined for the Program there is little detail on how the benefits are to be achieved. A clearly defined plan including stakeholder engagement requirements would have been beneficial in understanding digital design expectations, staff recruitment and training needs, and ICT support requirements.</li> <li data-bbox="571 1458 1430 1727">2. A Benefits Realisation Framework should be created that aligns with the Program benefits. Benefits realisation would assist the Program in quantifying the expected outcomes of delivery. The Program under evaluation has a strong construction focus, yet the outlined benefits of the Program clearly extend beyond the construction of the new Service Centres.</li> </ol>

Area	Recommendation
Program implementation	<ol style="list-style-type: none"> <li data-bbox="571 331 1422 689">3. Introduce a design sub-committee for design-related decisions. This would ensure design decisions align to Program objectives, formalise the review of design inputs (such as staffing capacity estimates) and remove the perception of ad-hoc design decision making. This committee should be equipped with sufficient technical understanding of the Program to provide detailed guidance in the planning stage to minimise variations to the Program that result in budget overspend.</li> <li data-bbox="571 719 1422 1173">4. Future Programs should undertake 'lessons learnt' activities at each key phase of the Program (including, end of design). A 'lessons learnt' retrospective at each key phase of the Program may have more formally raised the need to re-visit decision making processes, particularly in relation to Service Centre design. These activities would support the already rigorous continuous improvement and post implementation review undertakings of the Program, formalising program governance, articulating the decision-making process and ratifying any changes in the expected scope and Program deliverables.</li> </ol>

Area	Recommendation
Voice of the customer	<ol style="list-style-type: none"> <li data-bbox="571 331 1431 645">5. To accommodate the adaptive approach to Service Centre design, future Programs should incorporate a greater focus on the purpose and intent of each Service Centre, with design decisions made accordingly. A clear purpose for the new Service Centre would provide an indication of its size and provide a basis for understanding the customer benefits expected and expectations on staff.</li> <li data-bbox="571 674 1431 1218">6. Customer feedback should support the formulation of purpose and intent in the Service Centre design process. Customer survey results in the evaluation have highlighted that customers value modern and spacious designs, clear signage, and minimal wait times, while largely preferring to transact at Service Centres nearest to their place of residence. Further, there appears to be a reluctance in customers taking up digital options away from Service Centres. These are factors important to determining the appropriateness of the digital-first design, the effectiveness of self-serve areas and, more broadly, Service NSW's strategy in transitioning customers away from Service Centres where digital alternatives exist.</li> <li data-bbox="571 1247 1431 1561">7. Overall, Service Centre design principles should balance customer needs with other key design factors, such as Service NSW's strategic objectives (including budgetary constraints and digital uptake expectations) and operational requirements (based on new service offerings, demographics and staff training needs) and should keep as a core priority the safety of Service NSW staff and customers.</li> </ol>



## 2. Introduction

### 2.1 New Metro Service Centre (NMSC) Program

#### 2.1.1 Background

The New Metro Service Centres (NMSC) Program aims to deliver 10 new Service Centres across metropolitan Sydney over 4 years (2020-2023).

The Program is an election commitment and a Ministerial priority program. It was announced by the NSW Premier on 12 February 2019 and was included in the 2019-2020 NSW Budget. Service NSW was made responsible for the delivery, project monitoring, and ongoing support of the Program.

The Program was formed as metropolitan Service Centres had reached capacity, due to customer popularity and the broadening of Service NSW service offerings over time. The aim of the Program was to provide greater access for customers to Service NSW Service Centres while providing enhanced digital support.

The new Service Centre sites were chosen either from areas with strong expected population growth and accompanying customer demand or areas that would alleviate demand on established Service Centres, operating above 80 percent utilisation.<sup>3</sup> The new Service Centres would adopt a digital-first concept, based on a pilot site established in Woy Woy that reworked existing Service Centre design principles into a 'Digital Hub' with a greater focus on digital self-service in store. It was anticipated that this would increase the digital capability of Service Centres and of the NSW public sector more generally.

The locations of the 10 new Service Centres are:

- Revesby [Launched – in-scope for evaluation]
- Engadine [Launched – in-scope for evaluation]
- Roselands [Launched – in-scope for evaluation]
- Merrylands [Launched – in-scope for evaluation]
- Edmondson Park [Launched – in-scope for evaluation]
- North Sydney [Launched – in-scope for evaluation]
- Eastgardens
- Glenmore Park
- North Rocks
- Tallawong

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<sup>3</sup> 80% of counter staff time being allocated to serving customers

## 2.1.2 Project objectives

Objectives as identified in the Program Plan<sup>4</sup> are to:

- increase the Service NSW footprint in Sydney's growth suburbs to ensure everyone has access to a conveniently located Service Centre
- relieve pressure on existing Service Centres which are over capacity
- ensure that Service NSW continues to deliver world-class customer experience
- align with the Greater Sydney Commission vision of a Metropolis of Three Cities by placing new Service Centres in the high-growth corridors

Benefits as identified in the Program Plan<sup>5</sup> are to:

**Improve customer experience** – The new Service Centres will enhance service delivery, provide greater access to Service Centres, and will reduce pressure in existing Service Centres. Reducing pressure in existing Service Centres will improve customer wait times.

**Provide better government digital services** – The new Service Centres will adopt a digital-first approach, enhancing the digital experience by increasing access to, and awareness of, fast self-serve or assisted self-serve digital services. The new Service Centres enable Service NSW to transition customers from conducting lower complexity transactions in Service Centres to online methods and increasing in-store capacity to respond to more complex and personalised transaction needs in Service Centres. Simultaneously, the new Service Centres will reduce the need and cost associated with handling cash as more cash transactions transition to online payment options.

**Support expansion of services** – As new services and transactions are offered through Service NSW, the additional Service Centres will enable expansion of these services to more areas across metropolitan Sydney and provide flexibility for upgrades and modifications as future service offerings and customer demand patterns change.

**Increase access to government services** – The new Service Centres will provide greater access to government services in high growth areas.

## 2.1.3 Project design

A dedicated Project team was established to oversee the construction and deployment of the NMSC Program. This Project team would collaborate closely with key stakeholders within Service NSW, cross-agency stakeholders from within the broader Department of Customer Service and Whole-of-Government, as well as with the Office of the Minister for Customer Service. In particular, the Project team was to liaise heavily with Service NSW's Service Delivery business unit, which operates and oversees the entire frontline network of Service Centres and Contact Centres.

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<sup>4</sup> Project Management Plan New Metro Service Centres

<sup>5</sup> Project Management Plan New Metro Service Centres

For the Project team, the **scope** of the Program covers:

- Receipt of business requirements from Service NSW's Service Delivery business unit for each new Service Centre.
- Architectural design informed by the business requirements and the new digital-first design concept, in addition to signage design.
- Property market search and recommendation of suitable commercial tenancies in each location that meet the business requirements. Endorsement from the Minister's Office for the preferred tenancy.
- Commercial negotiations, Heads of Agreement and subsequent Lease for chosen tenancy, lessor approval of architectural design, and town planning and certification for the design.
- Engineering services design (fire, mechanical, electrical, hydraulic, and lighting).
- Procurement and installation of furniture, fittings, and equipment, IT hardware and services, and NBN and telecommunication services.
- Tendering and procurement for construction works.
- Fit out of tenancy, completion of Occupation Certificate, and operational setup of the Service Centre environment to be ready to trade.
- Communication (with media and ministerial stakeholders), marketing, and community engagement activities (including engagement with Aboriginal community members) to promote the opening of the new Service Centres.
- Continuous improvement, conducting 'lessons learnt' activities to determine main opportunities for improvement after key stages of the Program are completed, and post-implementation reviews.
- Creation of a new Design Standards Manual to guide future deployments of new Service Centres.

What is **not in scope** for the Program is:

- **Recruitment and training.** This function was agreed to be undertaken by Service Delivery as part of day-to-day, business-as-usual processes. However, the recruitment process will be monitored to ensure staff are available to meet the Program timeframes.
- **Design business requirements.** Service Delivery will provide the business requirements for the digital-first design and will continuously review those requirements. It is in the scope of the Program to develop the architectural design from these requirements, seeking guidance from Service Delivery.
- **Changes to standard IT hardware and processes.** It is not in the scope of the Program to make changes to technology hardware, systems, or processes. Only processes developed by Service NSW/DCS will be applied in the fit out of the new Service Centres.

- **Changes to any existing Service Centre not part of the Program.** It is not in the scope of the Program to fit-out existing Service Centres as part of any broader initiative to further rollout the digital-first design.

The **target groups** of this Program include the Service NSW Service Delivery business unit (internal), NSW customers (external), and the Office of the Minister for Customer Service.

The **main components of the Program include:**

- CAPEX budget (OPEX budget for leasing is part of initial property search)
- Digital-first design concept business requirements
- Site-specific business requirements
- Property market search brief and results
- Approval of market search analysis, summary, and recommendations
- Endorsement of preferred tenancy
- Staff induction (facilities management of the new Service Centres only)
- Security Risk Assessment
- Preparation of Heads of Agreement in consultation with PDNSW
- Signed Client Approval Letter (CAL) and Financial Commitment Schedule (FCS) in consultation with PDNSW
- Signed Lease in consultation with PDNSW
- Architectural brief
- Engineering services brief
- Architectural design
- Engineering services design
- Service NSW stakeholder endorsement of architectural design documents
- Lessor Approval of architectural design documents (tender design pack)
- Design certification
- Internet service
- Tenancy 'make ready': base building soft shell
- Engagement of Fit-out Contractor
- Procurement activities
- Completed site fit-out
- IT installation, test, and commissioning
- Media Releases, marketing, and updates to both social media and Service NSW website pages

- Preview event and community engagement
- Stakeholder and Communication Plan
- Official opening

The key **Program stakeholders** for the delivery of the Program are:

Role	Agency	Responsibility
Executive Director, Service Delivery - Frontline	Service NSW	Executive Sponsor, Steering Committee
Director, Service Centres Metro	Service NSW	Initiative Owner, Steering Committee
Executive Director, Service NSW Partnerships, Projects and Insights	Service NSW	Steering Committee
Director, Finance Service NSW	Service NSW	Steering Committee
Director, Channel Planning and Release Management	Service NSW	Steering Committee
Director, Service NSW Operations	Service NSW	Steering Committee
Director, Program Delivery	Service NSW	Steering Committee
Director, DCS CIO Engagement	Department of Customer Service	Steering Committee
Minister for Customer Service and Digital Government of New South Wales	External	Stakeholder
Roads and Maritime Services <i>(Corporate Services and Partnerships and Performance)</i>	Transport for NSW	Stakeholder

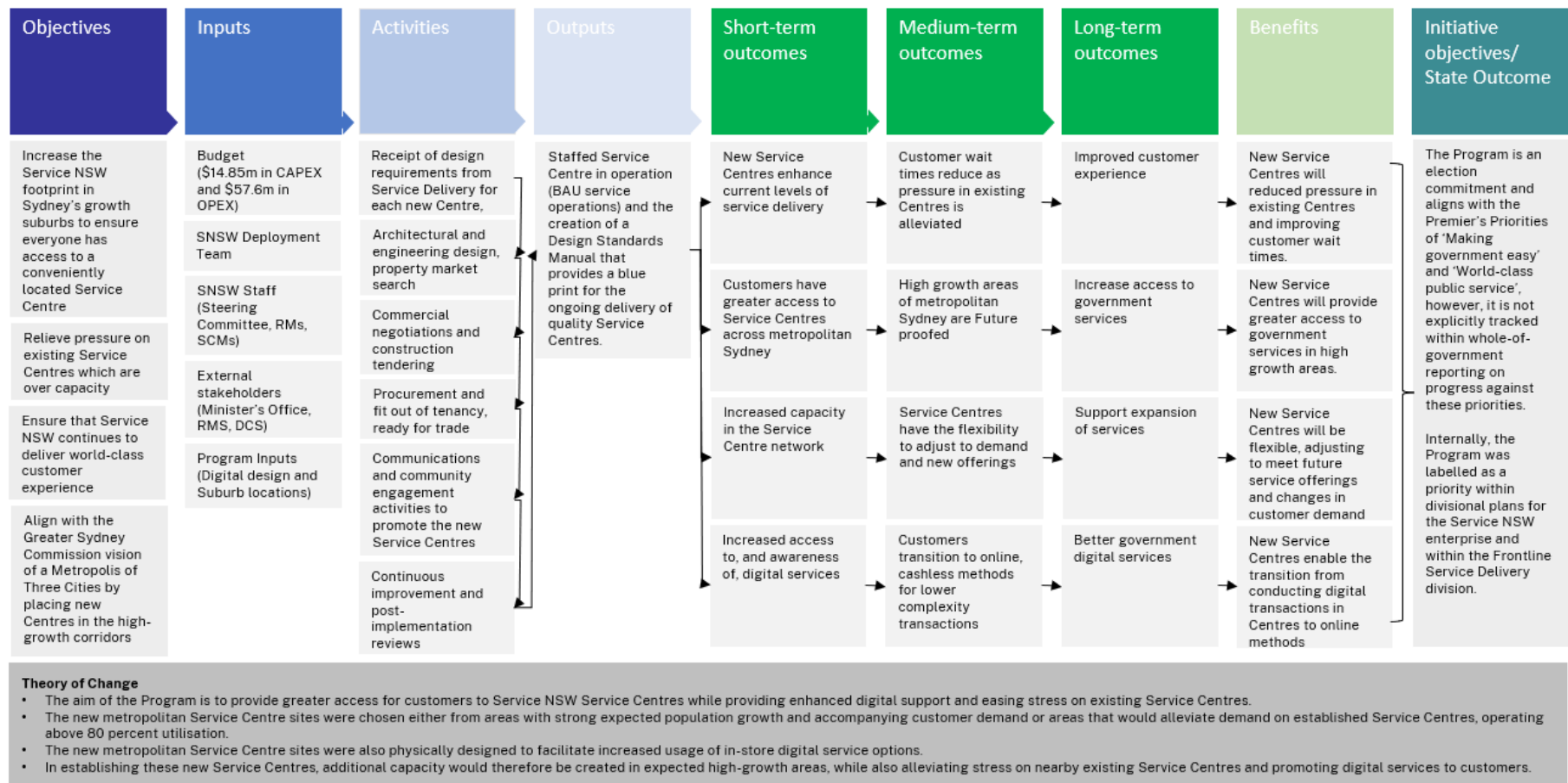
The Program commenced in February 2019 and was due to be completed in June 2023. However, due to COVID and consequent supply chain issues and a dearth of available real estate, not all of the new Service Centres were opened within the June 2023 timeframe.

The **budget** for the Program is **\$14.85m in CAPEX**, and **\$57.6m in OPEX**, with agreements for variation to be sought as needed to cover any shortfalls.

## 2.1.4 Program logic

The program logic below outlines the rationale and theory of change of the Program.

Figure 2. Program logic



## 2.2 The evaluation

### 2.2.1 Purpose

The purpose of the evaluation is to assess the extent to which the objectives of the NMSC Program (as outlined in Section 2.1.2) were met. In turn, this will inform recommendations as to the efficacy of the Service Centre delivery process and the appropriateness of the Service Centre digital-first design for future use.

The **objectives of the evaluation** are as follows:

- Evaluate the effectiveness of the Program in **realising the expected benefits derived from the Program objectives**.
- Provide recommendations as to the **efficacy of the Service Centre delivery process**.
- Provide recommendations as to the **appropriateness of the Service Centre digital-first design for future use**.

The **scope of the evaluation** is to determine whether the Program achieved its objectives by delivering on the key customer outcomes, or benefits, outlined in the original NMSC Project Management Plan, namely:

- **Improve customer experience** – The new Service Centres will enhance service delivery, provide greater access to Service Centres, and will reduce pressure in existing Service Centres. Reducing pressure in existing Service Centres will improve customer wait times.
- **Provide better government digital services** – The new Service Centres will adopt a digital-first approach, enhancing the digital experience by increasing access to, and awareness of, fast self-serve or assisted self-serve digital services. The new Service Centres enable Service NSW to transition customers from conducting lower complexity transactions in Service Centres to online methods and increasing in-store capacity to respond to more complex and personalised transaction needs in Service Centres. Simultaneously, the new Service Centres will reduce the need and cost associated with handling cash as more cash transactions transition to online payment options.
- **Support expansion of services** – As new services and transactions are offered through Service NSW, the additional Service Centres will enable expansion of these services to more areas across metropolitan Sydney and provide flexibility for upgrades and modifications in line with changes to future service offerings and customer demand patterns.
- **Increase access to government services** – The new Service Centres will provide greater access to government services in high growth areas.

While the scope of the evaluation will be the customer outcomes outlined above, the customer outcomes will be primarily assessed in the context of Service NSW’s internal activities to deliver the NMSC Program. Accordingly, the findings will inform:

- Recommendations as to how the ongoing Service Centre delivery processes could be optimised, particularly with consideration to lessons learned on formalised site selection criteria and stakeholder engagement procedures for design sign-off and modifications.
- A determination as to whether future expansion of the Service Centre network using the digital-first Service Centre model is appropriate, including the balancing of the trade-off between digital self-serve and traditional counter spaces in a Service Centre.

In so doing it will be necessary to evaluate the delivery process alongside the expected customer outcomes in order to assess the effectiveness of Service NSW’s internal processes.

Further, while the evaluation will review the holistic Program-level delivery items and benefits, it may be necessary to consider delivery expectations of the individual Project streams of work (site location investigations, distinct planning activities, and decision making) under the Program to understand the full range of impacts on benefit realisation.

The evaluation will be limited to only those sites delivered as part of the NMSC Program and within the timeframe of the evaluation period. Accordingly, the review will not incorporate any in-flight release activities at the time of evaluation, or new site infrastructure outside of the Program (such as the St Mary’s Testing Centre, or relocations of pre-existing Service Centres). Similarly, suburb locations of the new Service Centres were predetermined for the Program by the Government of the day and are extraneous to the evaluation.

### 2.2.2 Key Evaluation Questions

The evaluation answers four Key Evaluation Questions as identified in the evaluation plan (Table 1). These questions are a mix of standard evaluation questions and questions of interest to key internal stakeholders as discussed during scoping interviews.

Table 1. Key Evaluation Questions

Key Evaluation Questions	Evaluation Sub-Questions	Section in the report where to find the answer
1. Did the Program realise the expected benefits derived from the Program objectives?	1.1 To what extent did the Program contribute to an improved customer experience, overall?	<a href="#">3.1</a>



Key Evaluation Questions	Evaluation Sub-Questions	Section in the report where to find the answer
1. Did the Program realise the expected benefits derived from the Program objectives?	1.2 To what extent did the Program contribute to an improved digital take up for customers?	<u>3.2</u>
1. Did the Program realise the expected benefits derived from the Program objectives?	1.3 What impact did the Program have on ensuring citizens have access to conveniently located Service Centres?	<u>3.3</u>
<p>2. Was the site selection appropriate for the Program to achieve its benefits?</p> <p>*As noted in section 2.2.1, suburb locations of the new Service Centres are pre-determined and are not in the scope of the evaluation. The purpose of this Key Evaluation Question is to evaluate the site locations of the new Service Centres in the pre-determined suburb.</p>	2.1 How appropriate was site selection in relation to the Program objective of relieving capacity at existing Service Centre counters?	<u>4.1</u>
<p>2. Was the site selection appropriate for the Program to achieve its benefits?</p> <p>*As noted in section 2.2.1, suburb locations of the new Service Centres are pre-determined and are not in the scope of the evaluation. The purpose of this Key Evaluation Question is to evaluate the site locations of the new Service Centres in the pre-determined suburb.</p>	2.2 How appropriate was site selection in relation to the Program objective of relieving capacity for Driver Testing at existing Service Centres?	<u>4.2</u>
<p>2. Was the site selection appropriate for the Program to achieve its benefits?</p> <p>*As noted in section 2.2.1, suburb locations of the new Service Centres are pre-determined and are not in the scope of the evaluation. The purpose of this Key Evaluation Question is to evaluate the site locations of the new Service Centres in the pre-determined suburb.</p>	2.3 How appropriate was site selection in relation to the Program objective of providing greater access to government Service Centres?	<u>4.3</u>

Key Evaluation Questions	Evaluation Sub-Questions	Section in the report where to find the answer
3. Was the Service Centre digital-first design appropriate for the Program to achieve its benefits?	3.1 How effectively does the Program target a digital-first approach?	<u>5.1</u>
3. Was the Service Centre digital-first design appropriate for the Program to achieve its benefits?	3.2 Is the digital-first design consistent with the objective of improved customer experience?	<u>5.2</u>
3. Was the Service Centre digital-first design appropriate for the Program to achieve its benefits?	3.3 In the digital-first design, was the counter to self-service floor space ratio optimal?	<u>5.3</u>
4. Did the Service Centre delivery process contribute to success?	4.1 How effective was the stakeholder engagement across the Program?	<u>6.1</u>
4. Did the Service Centre delivery process contribute to success?	4.2 Were decision making governance arrangements conducive to success?	<u>6.2</u>
4. Did the Service Centre delivery process contribute to success?	4.3 How effective was the program in engaging services from internal/external providers (including scheduling and overseeing delivery)?	<u>6.3</u>

## 2.3 Evaluation methodology

The proposed evaluation is a combined process and outcome evaluation. As noted within the overall goals of the evaluation, most of the assessment will focus on the ability of the Program’s internal processes to produce the targeted digitisation, accessibility, and network optimisation outcomes for customers. The evaluation is designed such that each Key Evaluation Question is further expanded into a series of sub-questions, with each sub-question measured against either quantitative or qualitative measures referred to as ‘Attributes of Success’. It is the performance of the Program against these ‘Attributes of Success’ that determines the overall ability of the Program to satisfactorily answer the Key Evaluation Questions.

The evaluation relies on a mix of qualitative and quantitative analysis methods across existing enterprise data and newly collected primary data, driven by the following collection methods and sources:

- **The Service Centres' Customer Flow Management (CFM) system**, which tracks all ticketed interactions within Service Centres and their operational performance attributes (such as wait times, handling times, and satisfaction ratings). This data source tends to capture the breadth of general customer experience at Service Centre counters, but risks undercounting transactional activity (for example, a customer may undertake multiple transactions/requests on one ticket) while also failing to account for activity in the self-serve digital kiosk area.
- **Transport for NSW's DRIVES system**, this is Roads and Maritime Services' operating system which, importantly, records transactional data, including anonymised customer postcode information. This data source (based on filtered, de-identified snapshots of data) is advantageous in that it provides an account of de-identified customer transactional activity for a service line that constitutes approximately 80% of Service Centre business. However, it provides no detail around customer experience – wait times, satisfaction, handling time, etc.
- **Service NSW's enterprise Salesforce data**, which captures some de-identified, summary-level transactional activity at the self-serve digital kiosks in Service Centres. While this data source does not capture all activity done in the self-serve zone, it allows the evaluation team to track interaction volumes for the top six DRIVES transactions completed at kiosks, thereby allowing the evaluation to estimate site-level kiosk usage proportions (in relation to counter usage for the same top six transactions).
- **Online customer questionnaires and in-person intercept surveys** were also deployed, with the assistance of a third-party vendor, to customers visiting the new Service Centres and to customers identified to be living in the areas surrounding the new Service Centres (such that both attending and non-attending customers are captured). This data, de-identified when provided to the evaluation team, provided quantitative and qualitative data for analysis.
- **Internal questionnaires and interviews** of key Program stakeholders were also used to provide insight around Program processes. While these did not have extensive margin of error and sampling requirements, these instruments were crucial in providing the evaluation with direct feedback and sentiment from internal staff. Where possible, interviews were conducted with long-tenured, available members (current and former) of the Program Steering Committee. Where these Steering Committee members elected, and for all other Program stakeholders, an online questionnaire was provided with a mix of closed- and open-ended questions.
- **Internal Program management documents** in the form of Word, Excel, PowerPoint, PDF, and image files were also provided to the evaluation team for manual review.

### 2.3.1 Quantitative Analysis Methods

A Benefits Realisation Framework, including benefit measures and targets, was not developed during the planning phase of this Program (see Recommendation 2). In the absence of prescribed measures and targets, this Evaluation has proposed a suite of measures determined, during the Evaluation planning phase, to best reflect the favourability of Program outcomes in reference to the Program benefits. The empirical evaluation of these measures assumes that any outcome that exceeds its baseline is considered a favourable result. Further analysis of this outcome, and whether it is meaningful, is then explored in the narrative accompanying the measure.

In evaluating these measures, target ranges have not been proposed with the belief that, in the absence of clear benefit realisation guidelines, retrospective application of what the Program outcome favourability range may have been would not be appropriate.

Where possible, quantitative data has been analysed from internal operational performance data systems, stakeholder questionnaires, and customer questionnaires. The following approaches to the quantitative data were explored:

#### a) General assessment of average and aggregate values

As a base approach, collected quantitative data was analysed with a view of ascertaining average levels of change, performance, or sentiment, across areas of analytical interest. This allowed the evaluation team to arrive at intuitive, time-effective conclusions for most evaluation sub-questions, particularly where detailed statistical analyses would not be feasible.

#### b) Difference-in-difference analysis

Where time series data is used (for example, assessing monthly wait time levels over time), the evaluation has used statistical testing in the form of difference-in-difference analyses to assess the impact of a particular event (the launch of a new Service Centre) on the time series of data in question.

In summary, the difference-in-difference method involves assessing the before-and-after performance of a control group (in this instance, the general metropolitan network trend in Service Centre performance) with the before-and-after performance of the treatment group of interest (in this instance, the Service Centres surrounding a new Service Centre).

### 2.3.2 Qualitative Analysis Methods

Where the collected data are unable to be assessed quantitatively, standard qualitative approaches have been taken to source and interpret information:

#### a) Document reviews

The Program gave the evaluation team full access to the internal SharePoint repository that stored all documents related to the Program, including meeting minutes, budget planners and

trackers, decision records, and actual expense invoices/receipts. From this, the evaluation was able to construct and interrogate an illustration of the entire Program, based on its written documentation. In particular, the evaluation was able to focus on a collection of all monthly Program Steering Committee minutes to track discussions and decision across the lifetime of the Program.

**b) Interview and open-response analysis**

Complementing the document review, the evaluation team also conducted manual, qualitative assessments of responses to interview questions and open-response questions within questionnaires. Often the responses contained direct insights that could be directly referred to in responses to the evaluation questions, however in some instances the evaluation team coded segments of the responses to track common themes across the stakeholder pool.

**2.3.3 Methodologies for Attributes of Success across each KEQ**

Each KEQ is explored in detail through sub-questions, which are answered through the analysis of data across a range of performance metrics. These performance metrics constitute the Attributes of Success underpinning the evaluation’s answer to each sub-question.

Each Attribute of Success is analysed in line with applicable methods outlined in sections 2.3.1 and 2.3.2, with bespoke analysis for specific circumstances included to offer a broader contextual understanding of the performance of the new Service Centres (for example, the evaluation conducts a special analysis in connection to the unique customer catchment area of the North Sydney Service Centre).

These Attributes of Success are summarised in Table 2 below:

Table 2 Attributes of Success for Key Evaluation Sub-Questions

Evaluation Sub-Question	Attribute of Success ID	Attribute of Success
1.1	1	<b>Wait times at surrounding Service Centres:</b> Wait times at the Service Centres surrounding a new Service Centre are measured pre- and post-launch, relative to the metropolitan baseline, in order to assess if the new Service Centre has alleviated wait times at its neighbours.
1.1	2	<b>Wait times for the entire metropolitan network:</b> Wait times across the entire metropolitan network are measured pre- and post-launch, controlling for any underlying trends in demand, to assess if the new Service Centre has improved wait times across the network.

Evaluation Sub-Question	Attribute of Success ID	Attribute of Success
1.1	3	<b>Customer satisfaction at new Service Centres:</b> Customer satisfaction scores (an average out of 5) are measured at the new Service Centres and compared against the metropolitan average to determine if the new Service Centres are adequately satisfying customers.
1.1	4	<b>Customer satisfaction at surrounding Service Centres:</b> Customer satisfaction scores are measured at the Service Centres surrounding a new Service Centre to verify if customers have been appreciative of the improved service levels at the original Service Centre.
1.2	5	<b>Proportion of digital-offered transactions completed over-the-counter:</b> Transactional data at the new Service Centres is used to assess the proportion of digitally-offered transactions completed over-the-counter against the metropolitan average, to assess if the new Service Centres are processing primarily face-to-face only transactions (as the new Service Centres are intended to redirect customers towards digital self-service).
1.2	6	<b>Higher proportion of online, digital transactions:</b> Online transactional data at the main postcode of each new Service Centre is measured pre- and post-launch to assess if the launch of the new Service Centre has prompted more digital online service in the Service Centre's main postcode.
1.3	7	<b>Proportion of customers living within 5km of a Service Centre:</b> Using a combination of ABS population data at its most granular level and the geographical locations of each new Service Centre, the proportion of NSW's metropolitan population living within 5km of their nearest Service Centre is measured after each new release.
2.1	8	<b>Counter demand at surrounding Service Centres:</b> The volume/counts of customers at the Service Centres surrounding a new Service Centre are measured pre- and post-launch, relative to the metropolitan baseline, in order to assess if the new Service Centre has drawn demand away from existing Service Centres.
2.2	9	<b>Driver testing demand at surrounding Service Centres:</b> The volume/counts of Driver Testing customers at the Service Centres surrounding a new Service Centre are measured pre- and post-launch, relative to the metropolitan baseline, in order to assess if the new Service Centre has drawn demand away from existing Service Centres.
2.3	10	<b>Proportion of a Service Centre's main postcode choosing to transact there:</b> Transactional data is used to determine the proportion of a new Service Centre's main postcode that is transacting at that new Service Centre, compared against the patterns of all other metropolitan Service Centres, to assess how well each new Service Centre is covering its local community.

Evaluation Sub-Question	Attribute of Success ID	Attribute of Success
2.3	11	<b>Customer feedback around convenience of access:</b> Customer questionnaires (online and in-person at the new Service Centre) are used to assess if customers explicitly determine the new Service Centre to be convenient for them to access.
3.1	12	<b>Self-service kiosk usage proportions:</b> Customer volumes at self-service kiosks (tracked against only the most popular 5-6 services) in new Service Centres are compared to the counter volumes for these same services to measure the proportion of kiosk usage. This is then compared against the metropolitan average to assess how well each new Service Centre is directing its customers to self-service kiosks.
3.2	13	<b>Proportions of payment transactions:</b> The volume of payment transactions completed in the new Service Centres, compared to total transactions completed, is compared to the metropolitan average to assess if the cashless design of the new Service Centres have deterred customers from making payments.
3.2	14	<b>Customer feedback around ease of navigation in the new design:</b> Customer questionnaires (online and in-person at the new Service Centre) are used to assess if customers find the digital-first design of the new Service Centre easy to navigate.
3.2	15	<b>Staff sentiment around the benefits of the new design:</b> People Matter Employee Survey responses are used to assess if staff working at the new Service Centres find that they are able to contribute to good customer service, compared to the metropolitan average response.
3.3	16	<b>Impacts of a greater proportion of floor space dedicated to self-service kiosks:</b> Wait times for the new Service Centres are compared to wait times at other metropolitan Service Centres of similar physical size and layout to assess if the new design may be responsible for any adverse impacts to customer wait times.
3.3	17	<b>Customer feedback around counter support:</b> Customer questionnaires (online and in-person at the new Service Centre) are used to assess if customers find the new Service Centres still have sufficient counters available to support them.
4.1	18	<b>Internal stakeholder engagement, governance arrangements and processes:</b> Stakeholder interviews, surveys, and document reviews are undertaken to determine if stakeholder practices contributed to positive Program outcomes.
4.2	19	<b>Internal decision-making processes:</b> Stakeholder interviews, surveys, and document reviews are undertaken to determine if decision-making processes contributed to positive Program outcomes.
4.3	20	<b>Engagement of external vendor services:</b> Stakeholder interviews, surveys, and document reviews are undertaken to determine if the engagement of external vendor services contributed to positive Program outcomes.

## 2.4 Confidence in the findings and limitations

The evaluation methods were implemented largely as intended. Overall, the evaluation team is confident that the data collected, when considered as an ensemble, provides a sound basis for the evaluation to draw conclusions about the Program.

In particular, regarding customer surveys and questionnaires, the evaluation team has endeavoured to reach a sampling rate and breadth to produce a 10% margin of error across a diverse demographic with a 95% confidence interval, which provides good indications of the reliability of the evaluation’s customer-related findings.

However, due to the limited granularity of some quantitative data sources, the impact of COVID lockdowns on the data, and general impracticalities in deriving cause-and-effect from natural, fluid data, two major constraints have been identified below and subsequently managed.

### 2.4.1 Determining pre- and post-release time windows

Most evaluation sub-questions required the analysis of data before the launch of the new Service Centre, compared to equivalent measures after the launch of the new Service Centre. In a base case, this was done by selecting a three-month window prior to the site’s launch and comparing the data in question to another three-month window after the site’s launch. These reporting periods are in Table 3 below.

Table 3 Pre- and post-release reporting windows

<b>New Service Centres List</b>	<b>Prior to Launch period</b>	<b>Post Launch period</b>
<b>Revesby</b>	2020 Jan-Mar	2021 Jan-Mar
<b>Engadine</b>	2020 Jan-Mar	2021 Jan-Mar
<b>Roselands</b>	2020 Oct-Nov	2021 Mar-May
<b>Edmondson Park</b>	2021 Nov-Jan	2022 Jun-Aug
<b>Merrylands</b>	2022 Jan-Mar	2022 Oct-Dec
<b>North Sydney</b>	2022 Jan-Mar	2022 Oct-Dec

These windows were manually selected to manage several influences on the data within the windows, particularly:

- The avoidance of non-seasonal outlying trends within the data, such as the impact of COVID lockdowns, and
- The impacts on each data window of other new site launches (for instance, potential overlap in metropolitan network impacts given the relatively similar timeframes in which Revesby and Engadine Service Centres were launched).



## 2.4.2 Determining the ‘surrounding sites’ for new Service Centres

Most evaluation sub-questions also required determinations to be made of the nearby Service Centres that were to benefit from the additional capacity created by establishing a new Service Centre. Given the nature of the metropolitan transport network, it was difficult to determine these surrounding Service Centres by means of strict, travel distance-based business rules. Further, the initial Program documents did not indicate specifically which Service Centres were to be targeted for 'network stress' (defined by this evaluation in terms of customer volumes and wait times) reduction by the launch of a particular new Service Centre.

Where evaluation questions and sub-questions required an assessment of the impacts on surrounding sites, the analyses have been conducted twice – once for each of two methods; a distance method, based on direct distance from the new Service Centres to their closest catchment areas and the DRIVES method, using operational data to estimate customer journeys. However, in visualising the data throughout the report in summary tables, the DRIVES method outlined above has been the main reference point.

### 3. Did the Program realise the expected benefits derived from the Program objectives?

This Chapter seeks to answer Key Evaluation Question one:

- *Did the Program realise the expected benefits derived from the Program objectives?*

To evaluate this question, the Program benefits are summarised into the following sub-questions:

- *To what extent did the Program contribute to an improved customer experience, overall?*
- *To what extent did the Program contribute to an improved digital take up for customers?*
- *What impact did the Program have on ensuring citizens have access to conveniently located Service Centres?*

#### 3.1 To what extent did the Program contribute to an improved customer experience, overall?

This sub-question is empirically evaluated across four quantitative data metrics in the tables below. Taking into consideration the benefit outlined in the Project Management Plan to ‘Improve customer experience’, the metrics utilise customer wait times and customer satisfaction exit surveys as representations of customer experience.

Performance against the ‘Attribute of Success’ metrics is summarised below, with favourable results highlighted in blue:

New Service Centre	Attribute of Success 1: Customers in surrounding Service Centres are experiencing improved levels of customer service. (Percentage point difference to the average)	Attribute of Success 2: By alleviating capacity, the new Service Centres improve customer service for the whole metropolitan network. (Percentage point difference to the average)	Attribute of Success 3: Customers frequenting the new Service Centres are appreciative of the service levels provided. (Percentage point difference to the average)	Attribute of Success 4: Customers frequenting the Service Centres surrounding the new Service Centres are appreciative of the service levels provided. (Percentage point difference to the average)
Revesby	-16	-1.9	0.03	1.0
Engadine	-29	-4.3	0.04	0.2
Roselands	-27	-1.8	0.00	-0.1
Edmondson Park	-31	-6.6	0.03	1.5
Merrylands	21	1.1	0.01	0.6
North Sydney	5	0.2	0.04	0.8

### 3.1.1 Customers in surrounding Service Centres are experiencing improved levels of customer service.

Attribute of Success 1: Customers in surrounding Service Centres are experiencing improved levels of customer service.					
Metric: Wait times (negative percentage point difference is a benefit)					
New Service Centre (Surrounding sites applying the DRIVES model)	Pre-Launch (Unit: seconds)	Post-Launch (Unit: seconds)	Change (%)	Baseline (%) (Metro average change)	Percentage point Difference
Revesby	616.1	417.8	-32.2%	-16.6%	-16
Engadine	488.1	267.4	-45.2%	-16.6%	-29
Roselands	391.3	352.0	-10.0%	16.9%	-27
Edmondson Park	606.5	493.8	-18.6%	11.9%	-31
Merrylands	409.3	571.0	39.5%	18.5%	21
North Sydney	492.8	609.4	23.7%	18.5%	5

Reduced pressure in existing Service Centres and improved wait times are tenets of the 'Improve customer experience' Program benefit and are the evaluation's key metrics for

assessing 'network stress'. Four of the six new Service Centres have reduced network stress for their surrounding Service Centres, reflected in the reduced wait times at these Service Centres. The two outlying Service Centres are Merrylands and North Sydney.

However, the Merrylands Service Centre should also be considered to have reduced stress in its surrounding Service Centres, despite its inconclusive performance in reducing wait times. Results for this new Service Centre are distorted by operational factors specific to the Auburn Service Centre. Discounting these factors, Merrylands would have likely contributed to reduced network stress on its surrounding Service Centres.

In the case of the Merrylands Service Centre, even as it alleviated total ticket demand in its surrounding Service Centres (by 12.3 percentage points per Attribute of Success 8), a 73% increase in wait times at the Auburn Service Centre has adversely affected Merrylands' performance against Attribute of Success 1. The uncharacteristic increase in wait times in Auburn is independent of the opening of Merrylands and should be considered extraneous to the evaluation. Merrylands' other neighbouring Service Centre returned a 7% increase in wait times, well below the metropolitan average.

The North Sydney Service Centre is the only new Service Centre that has not returned an improvement in network stress for its surrounding Service Centres. While this new Service Centre did relieve stress in the Chatswood Service Centre, it was unable to meaningfully support the Wynyard Service Centre.

The opening of the North Sydney Service Centre has contributed to a significant reduction in wait times in the neighbouring Chatswood Service Centre (a 0.2% wait time increase compared to the metropolitan average of 18.5%). However, the Wynyard Service Centre has undergone significant increases in ticket demand (34%, see analysis of Attribute of Success 8) and wait times (57%) over the reporting period and the opening of the North Sydney Centre has not been able to alleviate these pressures.

Notably, the 10 postcodes from which customers most visited the North Sydney Service Centre (60% of the new Service Centre's customers) constituted only 16% of the Wynyard Service Centre's customer base prior to the new Service Centre opening. This is compared to 39% for the Chatswood Service Centre. In other words, the customer catchment areas of Chatswood were more attracted to North Sydney, compared to those of Wynyard. While the North Sydney Service Centre was able to alleviate customer traffic to the Wynyard Service Centre from customers residing north of the harbour, it was the Chatswood Service Centre that benefitted the most from this.

For the Wynyard Service Centre, the geographical proximity of the North Sydney Service Centre was unable to alleviate customer demand from commuter traffic into the Sydney CBD, nor from customers living south of the harbour.

Statistical analysis<sup>6</sup> of the above measures over a longer timeframe from the month of launch verifies the positive performance of three of the new Service Centres. Revesby and Engadine

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<sup>6</sup> See Section 2.3.1.b for definition of the statistical testing method in use.

Service Centres were verified to be beneficial<sup>7</sup> for their surrounding Service Centres in improving wait times. Roselands Service Centre’s impact on its surrounding sites was only partially verifiable<sup>8</sup> as, over time, the impacts of the nearby Revesby Service Centre have been hard to distinguish from those of Roselands. On the other hand, Edmondson Park and Merrylands Service Centres could not be verified as statistically significant<sup>9</sup> over the long term as wait times at the neighbouring sites of these two new releases grew above normal levels. North Sydney Service Centre also showed no statistically significant impacts<sup>10</sup> on the wait times of its neighbours, likely for the reasons outlined above.

### 3.1.2 By alleviating capacity, the new Service Centres improve customer service for the whole metropolitan network.

Attribute of Success 2: By alleviating capacity, the new Service Centres improve customer service for the whole metropolitan network.					
Metric: Wait times (negative percentage point difference is a benefit)					
New Service Centre (Surrounding sites applying the DRIVES model)	Pre-Launch (Unit: seconds)	Post-Launch (Unit: seconds)	Change (%)	Baseline (%) (Metro average change)	Percentage point Difference
Revesby	514.4	451.4	-12.3%	-10.4%	-1.9
Engadine	537.1	458.6	-14.6%	-10.4%	-4.3
Roselands	411.4	500.2	21.6%	23.4%	-1.8
Edmondson Park	490.8	544.0	10.8%	17.5%	-6.6
Merrylands	563.2	654.6	16.1%	15.1%	1.1
North Sydney	563.2	654.6	15.2%	15.1%	0.2

The ‘Support expansion of services’ Program benefit requires that the increase in network capacity occasioned by the opening of the new Service Centres enables expansion of new services to more areas across metropolitan Sydney. Accordingly, the results in the Attribute of Success table above indicate by how much the new Service Centre capacity contributed to the overall improvement (or otherwise) in the Sydney-wide average customer wait time, expanding upon the more local analysis in section 3.1.1.

<sup>7</sup> P-values <0.05 for Revesby and Engadine Service Centres.

<sup>8</sup> P-value <0.1 for Roselands Service Centre.

<sup>9</sup> P-values >0.1 for Edmondson Park and Merrylands Service Centres.

<sup>10</sup> P-value >0.1 for North Sydney.

For all new Service Centres, other than Merrylands and North Sydney, the opening of the new Service Centre improved the customer wait times of their surrounding Service Centres in comparison to the metropolitan network and in so doing improved the performance and capacity of the network overall.

The results for Merrylands and North Sydney indicate that these Centres contributed to a decline in customer wait times across the network in the reporting period. It should be noted that the Auburn Service Centre (a neighbouring Service Centre to Merrylands) experienced significant and unusual increases in wait times over this period that cannot be attributed to the opening of the new Service Centre. By excluding Auburn in the analysis of Merrylands’ surrounding sites, Merrylands reduces wait times across the network by 0.1 percentage points.

The Wynyard Service Centre (a neighbouring Service Centre to North Sydney) experienced unusually high increases in demand and wait times over the period that could not be alleviated by the North Sydney Service Centre (as noted in Attribute of Success 1).

### 3.1.3 Customers frequenting the new Service Centres are appreciative of the service levels provided.

Attribute of Success 3: Customers frequenting the new Service Centres are appreciative of the service levels provided.			
Metric: Customer Satisfaction Scores (positive difference is a benefit)			
New Service Centre (Surrounding sites applying the DRIVES model)	Overall Satisfaction (Average rating out of 5)	Baseline (Metro average - Average rating out of 5)	Difference
Revesby	4.92	4.89	0.03
Engadine	4.93	4.89	0.04
Roselands	4.89	4.89	0.00
Edmondson Park	4.92	4.89	0.03
Merrylands	4.89	4.88	0.01
North Sydney	4.92	4.88	0.04

The Customer Satisfaction (CSAT) exit survey data shows five of the six new Service Centres returned higher overall customer satisfaction results than the metropolitan average and none of the new Service Centres showed satisfaction levels below the mean. With four of the new Service Centres returning results of 4.92 or above, even with a new Service Centre design and a more pronounced digital layout, customers are satisfied with the overall service at these Service Centres.

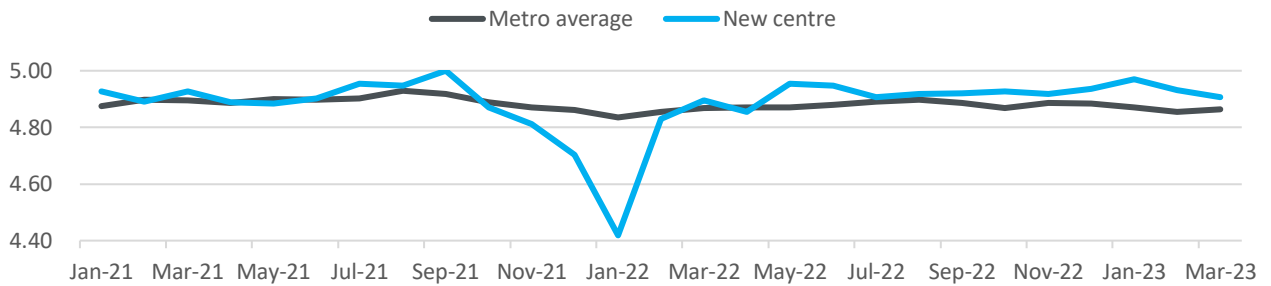
Generally, overall customer satisfaction at Service Centres is high (as indicated by the metropolitan average), making it difficult to illustrate a significant difference between the new Service Centres and the metropolitan average. However, the new Service Centres that have performed above the mean have tended, over time, to consistently return results above this average (see Figure 3).

For comparison, the strongest performing Service Centre over the reporting period is consistently the Springwood Service Centre with a post-COVID shutdown (post-July 2021) monthly average of 4.98. The average for the lowest performing Service Centres is generally in the 4.75 range. Scores of 4.92 and above generally place the Service Centre in the highest 10 performing Service Centres.

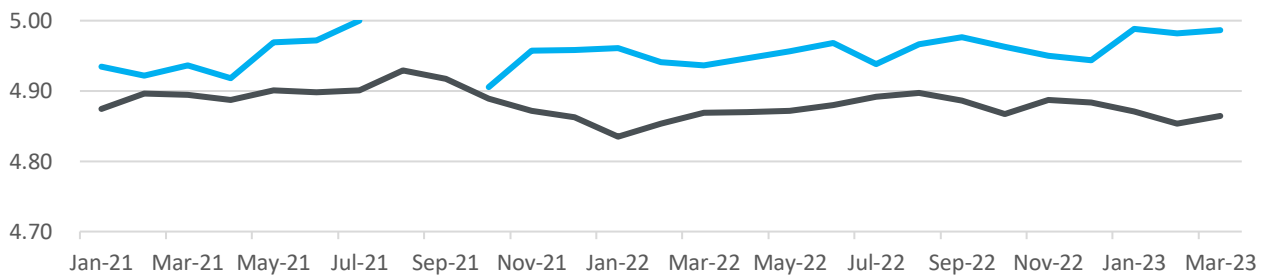
Figure 3. Time-series visualisations of monthly CSAT, New Service Centres

*(The dark line visualises the Metropolitan average, while the light line visualises the results for the new Service Centre.)*

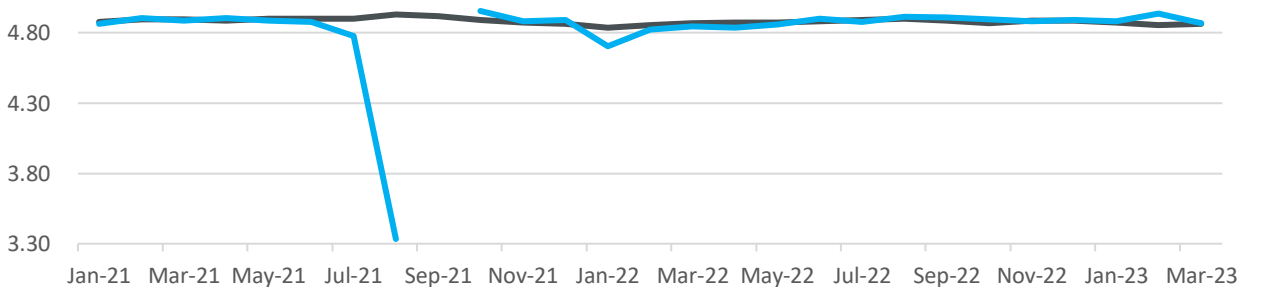
**Revesby**



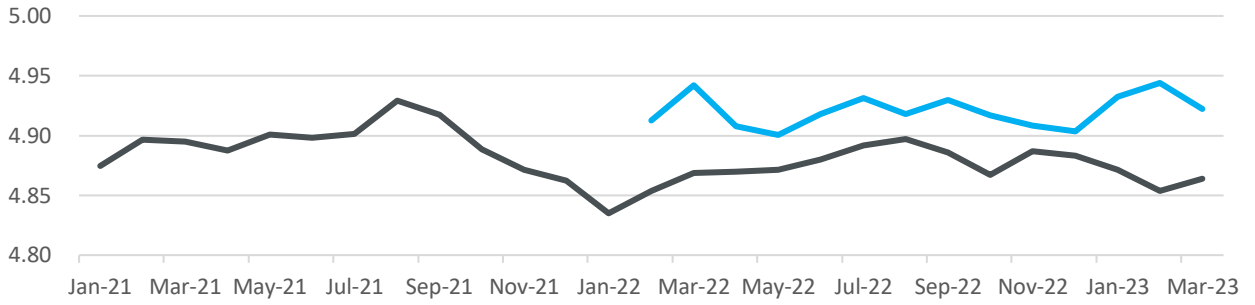
**Engadine**



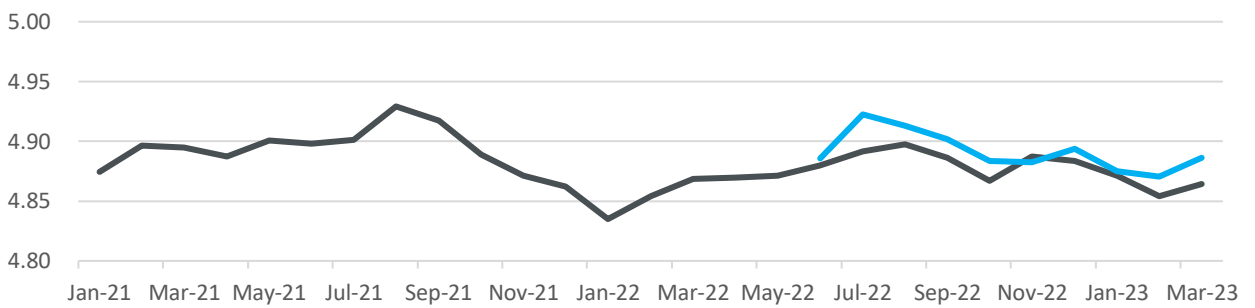
**Roselands**



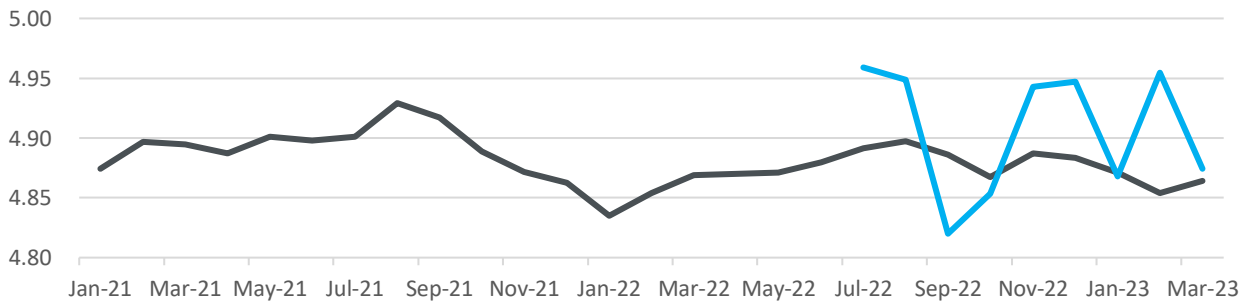
### Edmondson Park



### Merrylands



### North Sydney





### 3.1.4 Customers frequenting the Service Centres surrounding the new Service Centres are appreciative of the service levels provided.

Attribute of success 4: Customers frequenting the Service Centres surrounding the new Service Centres are appreciative of the service levels provided.					
Metric: Customer Satisfaction Scores (positive percentage point difference is a benefit)					
New Service Centre (Surrounding sites applying the DRIVES model)	Pre-Launch (Average rating out of 5)	Post-Launch (Average rating out of 5)	Change (%)	Baseline (%) (Change in metro average)	Percentage point Difference
Revesby	4.81	4.88	1.4%	0.4%	1.0
Engadine	4.88	4.91	0.6%	0.4%	0.2
Roselands	4.89	4.89	0.0%	0.1%	-0.1
Edmondson Park	4.77	4.87	2.2%	0.7%	1.5
Merrylands	4.79	4.85	1.2%	0.6%	0.6
North Sydney	4.79	4.85	1.4%	0.6%	0.8

Similarly, CSAT results indicate customers at Service Centres surrounding the new Service Centres may be appreciative of the relieved capacity. Five of the six new Service Centres outperformed the metropolitan average with the Service Centres surrounding Revesby and Edmondson Park showing particularly strong improvement in CSAT levels. CSAT at the Service Centres surrounding Roselands are operating very marginally below the mean.

Overall, customer satisfaction in surrounding Service Centres has improved compared to the prior period by more than the general change across the network.

As with Attribute of Success 3 in section 3.1.3., generally, customer satisfaction with service at Service Centres is high (as indicated by the metropolitan average), making it difficult to illustrate a significant difference between the new Service Centres and the metropolitan mean. However, above-average CSAT results appear to be consistent across time (see Figure 4).

A limiting factor for this metric is that, at the Service Centre level of analysis, the COVID shutdown period from July 2021 to October 2021 has impacted satisfaction results. With the recent opening of the newer Service Centres (Edmondson Park, Merrylands and North Sydney) it has not been possible to completely mitigate the impact of the lockdown.

Regardless, it is notable that some Service Centres surrounding the new Service Centres have outperformed the metropolitan trend in recovery of CSAT scores.

The CSAT result for Engadine’s surrounding Service Centres is above the metropolitan trend, with both surrounding Service Centres improving their customer satisfaction levels (for instance, the Miranda Service Centre improved its CSAT scores by 0.8%).

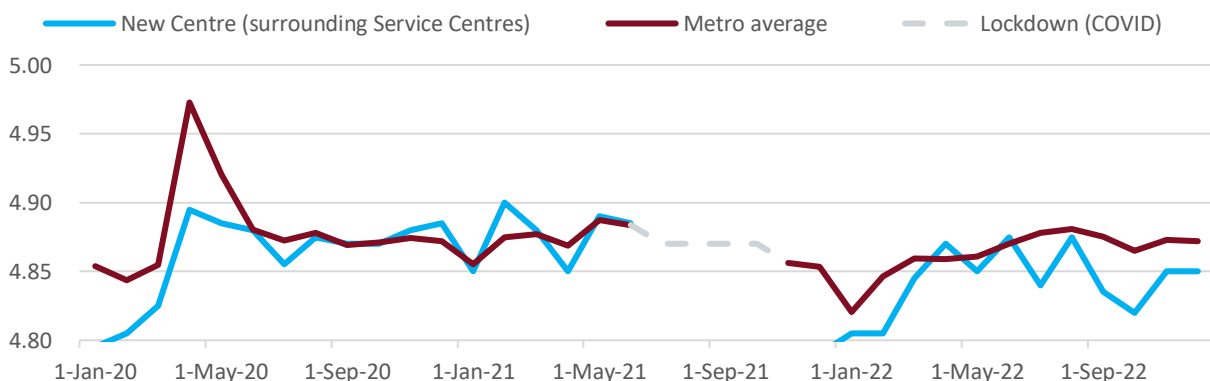
Roselands’ surrounding Service Centres’ satisfaction levels were very slightly lower than the metropolitan trend, however, the Bankstown Service Centre had shown strong improvement in satisfaction just prior to the reporting period, registering 4.89 in February 2021 before a decline leading into the COVID shut down.

Statistical analysis<sup>11</sup> of the above measures over a longer timeframe verifies the positive performance of two of the new Service Centres. Revesby and Roselands Service Centres were verified to be beneficial<sup>12</sup> for their surrounding Service Centres in improving CSAT scores. For the Roselands Service Centre this indicates that there is a correlation between changes in the CSAT scores for the surrounding Service Centres and the opening of the new Service Centre over the full timeline, however, it is still not evident in the reporting period that CSAT scores outperformed the metropolitan average. The Engadine Service Centre’s impact on its surrounding sites was not verifiable<sup>13</sup>, however, the results when applied to the Miranda Service Centre on its own does indicate a significant correlation<sup>14</sup>. The testing was unable to verify any benefit<sup>15</sup> for the remaining Service Centres which is likely a result of the disturbance caused by the COVID shutdowns.

Figure 4. Time-series visualisations of CSAT at existing Service Centres surrounding each new Service Centre

(The dark line visualises the metropolitan CSAT average, while the light line visualises the CSAT average of Service Centres surrounding the new Service Centre in question.)

### Revesby



<sup>11</sup> See Section 2.3.1.b for definition of the statistical testing method in use.

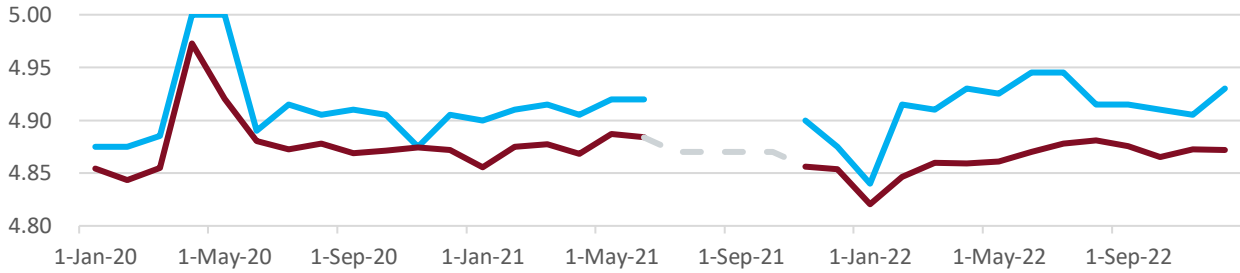
<sup>12</sup> P-values <0.05 for Revesby and Roselands Service Centres.

<sup>13</sup> P-value >0.1 for Engadine Service Centre.

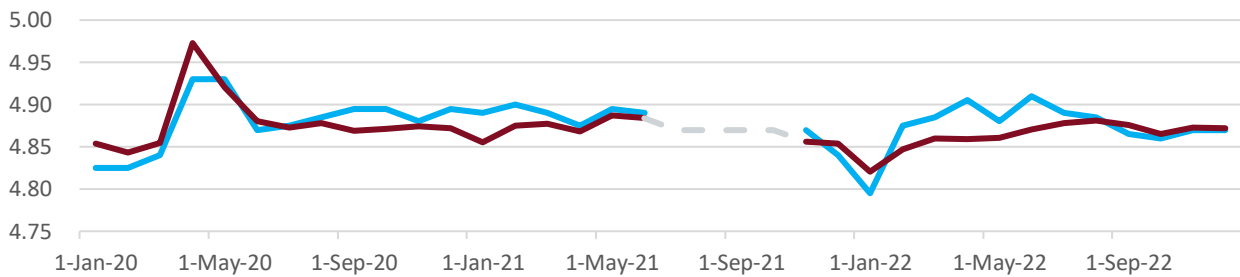
<sup>14</sup> P-value <0.05 for the Engadine Service Centre when applied to the Miranda Service Centre only.

<sup>15</sup> P-values >0.1 for Edmondson Park, Merrylands and North Sydney Service Centres.

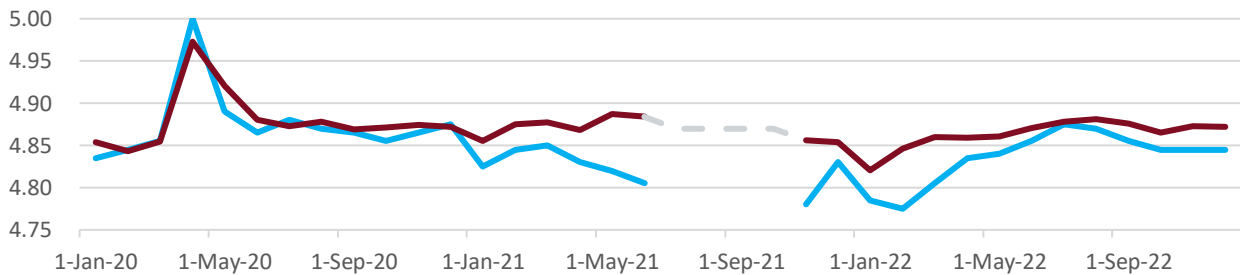
### Engadine



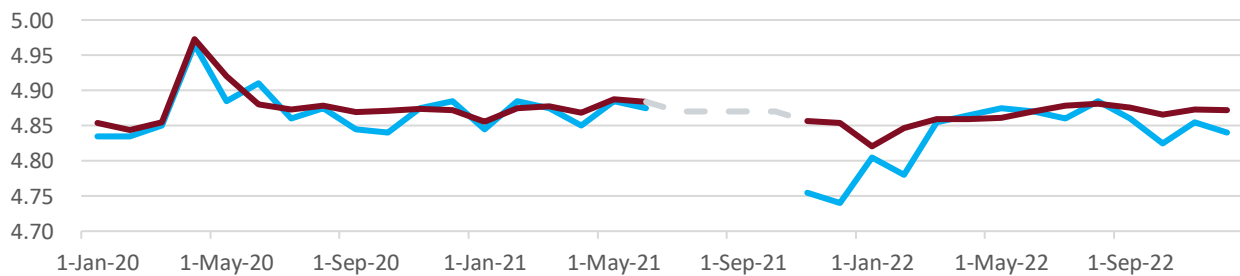
### Roselands



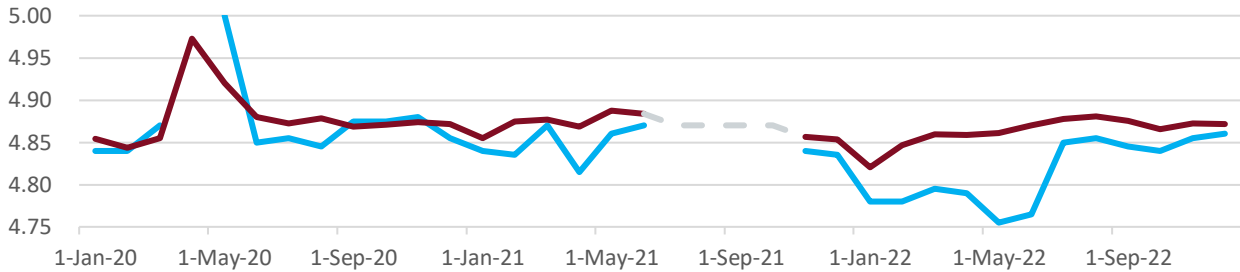
### Edmondson Park



### Merrylands



### North Sydney



### 3.2 To what extent did the Program contribute to an improved digital take up for customers?

This sub-question is empirically evaluated across two quantitative data metrics in the tables below. With consideration to the benefits outlined in the Project Management Plan to ‘Provide better government digital services’, the metrics utilise customer counter behaviours at Service Centres and digital behaviours away from Service Centres as representative of customer digital uptake.

Performance against the ‘Attribute of Success’ metrics is summarised below, with favourable results highlighted in blue:

New Service Centre	Attribute of Success 5:	Attribute of Success 6:
	The predominant over-the-counter transactions in new Service Centres are for services not offered through digital channels. (Percentage point difference to the average)	New Service Centres have a higher proportion of customers moving to digital services after establishment of the new Service Centre. (Percentage point difference to the average)
Revesby	4.10	-0.8
Engadine	7.40	-1.8
Roselands	4.20	-0.9
Edmondson Park	2.00	-2.4
Merrylands	4.10	-0.2
North Sydney	-1.00	0.6

### 3.2.1 The over-the-counter transactions in new Service Centres are not primarily those that cannot be conducted online.

Attribute of Success 5: The predominant over-the-counter transactions in new Service Centres are for services not offered through digital channels.

Metric: Proportion of tickets served over-the-counter that could have been completed online (negative percentage point difference is a benefit)

New Service Centre	Digitally-offered transactions (%)	Baseline (%) (Metro average)	Percentage point Difference
Revesby	52.5%	48.4%	4.10
Engadine	55.8%	48.4%	7.40
Roselands	53.1%	48.9%	4.20
Edmondson Park	50.3%	48.3%	2.00
Merrylands	52.6%	48.5%	4.10
North Sydney	47.5%	48.5%	-1.00

Under the ‘Provide better government digital services’ Program benefit, the new Service Centres would contribute to increased awareness and access to digital service options, transitioning customers away from conducting transactions in new Service Centres that the customer could do themselves, online. This Attribute of Success measure seeks to determine whether the new Service Centres have processed fewer digitally-offered transactions over-the-counter. If fewer digitally-offered transactions are occurring over-the-counter, this would indicate that customers are being transitioned towards digital service options.

It is not clear from this measure, however, that the digital uptake benefit has been achieved. Five of the six new Service Centres process more digitally-offered transactions over-the-counter in comparison to the Metropolitan network average. Only the North Sydney Service Centre returned a proportion that outperformed the metropolitan average.

Results for these new Centres have improved over time and as the Service Centres have matured, particularly post-COVID, the proportions of digitally-offered transactions have reduced, such that in the October to December 2022 period Engadine, Roselands, and North Sydney are below the metropolitan mean (48.5%).

However, by comparison, none of the Service Centres are realising the digital take up levels of the Woy Woy Service Centre, a Service Centre released prior to the launch of this Program that trialled the digital-first store layout. The Woy Woy Service Centre consistently processes the lowest proportion of digitally-offered transactions across the network, at approximately 43%.

While this measure does not indicate a realised digital uptake benefit for the new Service Centres, there is indication in the new Service Centres’ self-serve kiosk activity that there is a drive to increase customer digital awareness (See Attribute of Success 12 in section 5.1.1.). Results from this measure indicate that all new Service Centres, other than the North Sydney Service Centre, utilise the self-serve kiosk options more frequently than the network average.

**3.2.2 It is not clear that the new Service Centres have a higher proportion of customers moving to digital services after establishment of the new Service Centre.**

Attribute of Success 6: New Service Centres have a higher proportion of customers moving to digital services after establishment of the new Service Centre.

Metric: Proportion of digital transactions completed in a new Service Centre’s main postcode (positive percentage point difference is a benefit)

New Service Centre (Most active postcode)	Pre-Launch	Post-Launch	Change (%)	Baseline (%) (Change in metro average)	Percentage point Difference
Revesby	68.3%	73.1%	4.8%	5.6%	-0.8
Engadine	70.9%	74.7%	3.8%	5.6%	-1.8
Roselands	65.6%	66.4%	0.9%	1.8%	-0.9
Edmondson Park	72.0%	69.3%	-2.6%	-0.2%	-2.4
Merrylands	69.9%	68.4%	-1.4%	-1.2%	-0.2
North Sydney	73.5%	72.9%	-0.6%	-1.2%	0.6

Building on Attribute of Success 7 in section 3.3.1. above, this measure attempts to determine whether customers in the new Service Centre’s main postcode (in terms of customer residence) are transitioning from conducting transactions in a Service Centre to conducting transactions digitally, online, away from Service Centres. However, there is no evidence in the reporting period available that customers in the new Service Centre catchment areas are adopting digital options at rates that exceed general network trends.

While all new Service Centre catchment areas were consistent with the prevailing network trends, none of the Service Centres were able to consistently outperform the network and only North Sydney’s main postcode exceeded the metropolitan trend in uptake of digital channels.

Three Service Centres (Revesby, Engadine, and Roselands) did see an increase in the proportion of transactions processed through digital channels after the launch of the new Centre yet did not outperform the metropolitan trend. While the North Sydney result did

outperform the metropolitan trend during a period in which the digital proportion across the network declined.

Notably, the percentage of transactions processed digitally by the main postcodes for the Revesby, Engadine and North Sydney Service Centres already exceed the metropolitan average both prior to and post-launch. While this indicates these Service Centres may have been established in areas of digital capability, it necessarily means that any improvement in take up in these postcodes (percentage change) that exceeds the average might be difficult to achieve.

However, with the short reporting window (approximately 12 months) used for this measure, it is likely that customers have not had an opportunity to process a digital transaction since attending the new Service Centres. Generally, customers are unlikely to attend a Service Centre more than once in a 12-month period and any conversion to digital channels would, similarly, not be realised within this period. The longer-term impact of these new Service Centres on digital take up may require a greater maturity period to evaluate.

While evidence from the customer intercept surveys suggest even as customers have a generally favourable opinion of using technology in self-service areas of a Service Centre, customers appear reluctant to undertake these transactions away from the Service Centre. Only 65% of respondents completing transactions at self-service areas said they would consider not attending a Service Centre next time for a similar transaction, with respondents citing concerns that they did not have sufficient computer literacy or feared online scams and found it easier to complete transactions in the Service Centres with assistance from staff. It is likely that to fully realise a digital take up in these Service Centres that more targeted programs are required.

It should be noted that although the 'Provide better government digital services' Program benefit outlines a requirement to transition customers to online options, the Project Management Plan<sup>16</sup> clearly states the staff training function is not in the Program scope. Without a clearly defined Program initiative that addresses expectations on, and training for, staff to enable the realisation of this aspect of the benefit it is unclear how it was intended to be achieved.

### **3.3 What impact did the Program have on ensuring citizens have access to conveniently located Service NSW Centres?**

This sub-question is empirically evaluated by the quantitative data metric in the table below. With consideration given to the benefits outlined in the Project Management Plan to 'Increase access to government services', the metric utilises ABS-derived SA1 geographical areas (usually the size of an urban city block) to estimate customers brought within a 5km radius of the new Service Centres. This is then used to estimate the increase of distance-based accessibility of the Service Centre network.

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<sup>16</sup> Project Management Plan New Metro Service Centres

Performance against the ‘Attribute of Success’ metric is summarised below, with favourable results highlighted in blue:

New Service Centre	Attribute of Success 7:	
	With the establishment of the new Service Centres, metropolitan-based citizens are now geographically closer to Service Centres than they were. (Percentage point difference to pre-launch coverage)	
Revesby	0.95	
Engadine	0.78	
Roselands	0.02	
Edmondson Park	2.20	
Merrylands	0.40	
North Sydney	0.38	
Overall	4.72	

**3.3.1 With the establishment of the new Service Centres, metropolitan-based citizens are now geographically closer to Service Centres than they were initially.**

Attribute of Success 7: With the establishment of the new Service Centres, metropolitan-based citizens are now geographically closer to Service Centres than they were. Metric: Proportion of NSW’s metropolitan population within a 5km radius of a Service Centre (positive percentage point difference is a benefit)			
New Service Centre	Pre-launch (%)	Post-launch (%)	Percentage point Difference
Revesby	75.91%	76.86%	0.95
Engadine	76.86%	77.63%	0.78
Roselands	77.63%	77.65%	0.02
Edmondson Park	77.65%	79.85%	2.20
Merrylands	79.85%	80.25%	0.40
North Sydney	80.25%	80.63%	0.38
Overall	75.91%	80.63%	4.72



In accordance with the Program benefit 'Increase access to government services', the new Service Centres do ensure greater access to government services in high growth areas and increase the number of citizens with convenient access to Service Centres. All new Service Centres improved the metropolitan percentage of customers located within 5kms of a Service Centre (based on SA1 geographical areas from the ABS). The opening of these Centres has ensured that 80.6% of the metropolitan population is within 5kms of their nearest Centre, improving this percentage from 75.9% prior to the opening of the Revesby Centre, equivalent to improving access for approximately 250,000 citizens.

All new Service Centres improved the metropolitan percentage of customers located within 5kms of a Service Centre. However, the new Service Centres Roselands (which closely neighbours the Revesby, Bankstown and Hurstville Service Centres), Merrylands (which closely neighbours the Parramatta, Auburn, and Silverwater Service Centres), and North Sydney (which is a CBD site) showed relatively small improvements in this metric.

While it can be generally expected that these new Service Centres would necessarily improve citizen access to services to some degree, by positioning these Centres in the high growth areas, particularly Edmondson Park and Merrylands, these Centres act to future proof the network in preparation for forecast population growth. Similarly, the North Sydney Service Centre ensures customers in high commuter areas or Central Business Districts (CBDs) are supported as well.

## 4. Was the site selection appropriate for the Program to achieve its benefits?

This Chapter seeks to answer Key Evaluation Question two:

- *Was the site selection appropriate for the Program to achieve its benefits?*

To evaluate this question, the Program benefits are summarised into the following sub-questions:

- *How appropriate was site selection in relation to the Program objective of relieving capacity at Service Centre counters?*
- *How appropriate was site selection in relation to the Program objective of relieving capacity for Driver Testing at existing Service Centres?*
- *How appropriate was site selection in relation to the Program objective of providing greater access to government services?*

### 4.1 How appropriate was site selection in relation to the Program objective of relieving capacity at Service Centre counters?

This sub-question is empirically evaluated using the quantitative data metric in the table below. Taking into consideration the benefits outlined in the Project Management Plan to 'Improve customer experience', the metric evaluates whether the new Service Centres reduce counter demand (counter interactions) in the surrounding Centres, whereby counter demand is considered a predictor of demand pressures on staff capacity.

A new Service Centre's ability to reduce customer volumes at surrounding sites is considered an indicator of site suitability, insofar as the site location has not impeded the Service Centre's customer flow which results in relieved capacity in these neighbouring Service Centres.

Performance against the 'Attribute of Success' metric is summarised below, with favourable results highlighted in blue:

Attribute of Success 8:	
New Service Centre	New Service Centres alleviated counter demand pressures on surrounding Service Centres. (Percentage point difference to metro average)
Revesby	-8.0
Engadine	-16.6
Roselands	-11.5
Edmondson Park	-11.2
Merrylands	-7.9
North Sydney	5.1

#### 4.1.1 New Service Centres alleviated counter demand pressures on surrounding Service Centres.

Attribute of Success 8: New Service Centres alleviated counter demand pressures on surrounding* Service Centres.					
Metric: Counter interactions (negative percentage point difference is a benefit)					
New Service Centre (Surrounding sites applying the DRIVES model)	Pre-Launch (Unit: CFM tickets)	Post-Launch (Unit: CFM tickets)	Change (%)	Baseline (%) (Change in metro average)	Percentage point Difference
Revesby	35,468	29,677	-16.3%	-8.3%	-8.0
Engadine	21,096	15,832	-25.0%	-8.3%	-16.6
Roselands	20,088	18,584	-7.5%	4.0%	-11.5
Edmondson Park	28,566	29,325	2.7%	13.9%	-11.2
Merrylands	15,391	14,178	-7.9%	0.0%	-7.9
North Sydney	15,394	16,176	5.1%	0.0%	5.1

The results for this measure indicate that surrounding Service Centres exhibited a significant reduction in counter demand (counter interactions) after the opening of the new Service Centres for all but the North Sydney Service Centre. By extension, the site locations of these five new Service Centres are suitable in relieving counter demand pressures on surrounding Service Centres.

While the opening of the Edmondson Park Service Centre did not result in a reduction in counter demand in the surrounding Service Centres, the new Service Centre opened during a

period of increasing demand across the network. The increase in the demand on Edmondson Park's surrounding Service Centres was significantly lower than the network wide experience.

The opening of the North Sydney Service Centre has contributed to a significant reduction in ticket volumes in the neighbouring Chatswood Centre (a 12% decrease compared to the metropolitan average of 0% over the same period). However, the Wynyard Centre has undergone substantial increases in ticket demand (34%) and wait times (57%) over the reporting period and the opening of the North Sydney Centre has not been able to alleviate these pressures.

For the Wynyard Service Centre, it does appear that the suburb location of the North Sydney Service Centre was unable to alleviate customer demand either from commuter traffic into the Sydney CBD or from the resident customers living south of the harbour. However, particularly in comparison to the Wynyard Service Centre site location, which is in very close proximity to the nearest train station (less than 100 metres), the site location of the North Sydney Service Centre is a considerable distance (650 metres) from the nearest train station. This site-level inconvenience may be a contributing factor for customers when deciding which Service Centre to attend. However, the North Sydney Service Centre site location was chosen with proximity to the Victoria Cross Metro station in mind, which at the time of reporting is incomplete. With the Metro station in operation it is likely to improve commuter access, although not necessarily the new Service Centres ability to alleviate the Wynyard Service Centre.

Statistical analysis<sup>17</sup> of the above measures over a longer timeframe from the month of launch verifies the positive performance of the five new Service Centres. Revesby, Engadine, Roselands, Edmondson Park and Merrylands Service Centres were verified to be beneficial<sup>18</sup> for their surrounding Service Centres in alleviating counter demand. As expected, the testing was unable to verify any benefit<sup>19</sup> for the North Sydney Service Centres for the reasons already outlined.

## **4.2 How appropriate was site selection in relation to the Program objective of relieving capacity for Driver Testing at existing Service Centres?**

This sub-question is empirically evaluated using the quantitative data metric in the table below. Taking into consideration the benefits outlined in the Project Management Plan to 'Improve customer experience', the metric evaluates whether the new Service Centres reduce Driver Testing demand in the surrounding Centres, whereby Driver Testing demand (quantity of driving tests) is considered a predictor of demand pressures on staff capacity.

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<sup>17</sup> See Section 2.3.1.b for definition of the statistical testing method in use.

<sup>18</sup> P-values <0.05 for Revesby, Engadine, Roselands, Edmondson Park and Merrylands Service Centres.

<sup>19</sup> P-values >0.1 for the North Sydney Service Centres.

A new Service Centre’s ability to reduce testing volumes at surrounding sites is considered an indicator of site suitability, in so far as the site location has not impeded the Service Centre’s customer flow which results in relieved capacity in these neighbouring Service Centres.

Performance against the ‘Attribute of Success’ metrics is summarised below, with favourable results highlighted in blue:

New Service Centre	Attribute of Success 9: New Service Centres alleviated Driver Testing demand pressures on surrounding Service Centres. (Percentage point difference to metro average)	
	Revesby	-8.2
Engadine	-11.9	
Roselands	-13.0	
Edmondson Park	5.4	
Merrylands	N/A	
North Sydney	N/A	

#### 4.2.1 New Service Centres alleviated Driver Testing demand pressures on surrounding Service Centres.

Attribute of Success 9: New Service Centres alleviated Driver Testing demand pressures on surrounding Service Centres. <i>Metric: Driver Test appointments (negative percentage point difference is a benefit)</i>					
New Service Centre (Surrounding sites applying the DRIVES model)	Pre-Launch (Unit: Driver test appointments)	Post-Launch (Unit: Driver test appointments)	Change (%)	Baseline (%) (Change in metro average)	Percentage point Difference
Revesby	8,033	8,440	5.1%	13.3%	-8.2
Engadine (Miranda only)	2,195	2,225	1.4%	13.3%	-11.9
Roselands (Bankstown only)	4,670	3,734	-20.0%	-7.0%	-13.0
Edmondson Park	6,123	8,266	35.0%	29.6%	5.4
Merrylands	**Merrylands’ surrounding Service Centres do not offer Driver Testing.				
North Sydney	** The North Sydney Service Centre does not offer Driver Testing.				

The new Service Centres were strategically positioned to alleviate Driver Testing demand pressures in some of the metropolitan network’s largest and busiest Service Centres. Comparing the pre-launch and post-launch states, this measure indicates that for all but the

Edmondson Park Service Centre, the surrounding Service Centres exhibited a reduction in Driver Testing demand following the opening of the new Service Centres.

The Edmondson Park Service Centre is the only new Service Centre that has not returned a positive improvement in its surrounding Service Centres. The opening of the Edmondson Park Service Centre did appear to alleviate Driver Testing demand in the Macarthur Service Centre with appointments increasing by 15.1% compared to the metropolitan average of 29.6%. The new Service Centre, however, was not able to alleviate the Driver Testing demand in the Liverpool Service Centre where appointments increased by 56.7%, the fifth largest increase at a Service Centre in the metropolitan network over the reporting period.

This trend in the Edmondson Park Service Centre's effect on surrounding Service Centre demand is demonstrable, although not as pronounced, in Attributes of Success 1 in section 3.1.1 and 8 in section 4.1.1. In particular, the Edmondson Park Service Centre's impact on alleviating wait times and counter interactions at the Macarthur Service Centre (a 25% decrease and 0.2% increase, respectively) is more significant than at the Liverpool Service Centre (a 12% decrease and 5.5% increase, respectively).

While it appears, geographically, that the suburb location of the Edmondson Park Centre can support customers in growth suburbs to its immediate west and south, it is apparent the location is isolated from the populous suburbs to the north and east, where customers continue to visit the Liverpool Service Centre. As such, the Edmondson Park Service Centre does not appear well situated to alleviate Driver Testing demand at the Liverpool Service Centre.

### **4.3 How appropriate was site selection in relation to the Program objective of providing greater access to government services?<sup>20</sup>**

This sub-question is empirically evaluated using two metrics in the tables below, a data metric and a customer survey. Taking into consideration the benefits outlined in the Project Management Plan to 'Increase access to government services':

- The quantitative data metric evaluates whether the new Service Centres are frequented by their customer catchments in consistent proportions to the metropolitan network standard. The measure seeks to determine whether the Service Centre site location may be deterring customers from frequenting the site, despite it being located in close proximity. An indication of whether customers are deterred by the location of the Service Centre is assessed based on whether customers from the new Service Centres' most active postcodes, based on customer volumes, attend the new Service Centres in similar proportions to the network average.
- The qualitative customer survey seeks feedback from attending customers on their satisfaction with the location of the new Service Centre. There were two survey instruments used to inform the response to this criterion – an online survey sent to customers residing in the postcodes surrounding the new Service Centres and the

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<sup>20</sup> This question assesses the granular, local accessibility outcomes of the new site, examining how well it serves the particular local area that it has been established in.

customer intercept survey at each of the six new Service Centre (engaged by an external vendor; Woolcott Research). The online survey and customer intercept survey targeted two distinct customer groups; while the online survey targeted past and potential customers residing near the new Service Centres, the customer intercept survey was conducted with customers who attended one of the new Service Centre sites as they exited the Service Centre that day.

Performance against the ‘Attribute of Success’ metrics is summarised below, with favourable results highlighted in blue:

New Service Centre	Attribute of Success 10:	Attribute of Success 11:
	Customers residing in the new Service Centre’s catchment (most active postcode for that Centre) are finding the site convenient to access. (Percentage point difference to metro average)	Customers frequenting the new Service Centres are finding the site convenient to access. (Percentage point difference to online survey)
Revesby	18.4	7
Engadine	5.9	4
Roselands	-29.2	6
Edmondson Park	-48.0	4
Merrylands	-3.4	6
North Sydney	-10.5	3

#### 4.3.1 Customers residing in the new Service Centre’s catchment (most active postcode for that Service Centre) are finding the site convenient to access.

Attribute of Success 10: Customers residing in the new Service Centre’s catchment (most active postcode for that Service Centre) are finding the site convenient to access.

*Metric: Percentage of customer demand (positive percentage point difference is a benefit)*

New Service Centre	Postcode (Most active postcode)	Total transactions	Processed at Service Centre (%)	Baseline (%) (Metro Average)	Percentage point Difference
Revesby	2233	6,173	84.8%	66.4%	18.4
Engadine	2213	4,962	72.3%	66.4%	5.9
Roselands	2196	9,628	37.5%	66.8%	-29.2
Edmondson Park	2170	30,594	16.8%	64.8%	-48.0
Merrylands	2160	11,286	61.4%	64.8%	-3.4
North Sydney	2060	3,123	54.3%	64.8%	-10.5

Findings from this measure suggest that, generally, site selection for the new Service Centres has not hindered the Program benefit of ‘providing greater access to government services’. Four of the six new Service Centres appear to be drawing from their most active postcodes in greater-or-equal proportions to the average metropolitan Service Centre

Two of the six new Service Centres (Revesby and Engadine) returned a customer share of their most active postcodes that exceeds the metropolitan average, indicating that these Service Centres are well situated to support their customer base. While, the Merrylands Service Centre returned a market share that can be concluded to reasonably correspond to the metropolitan average.

The North Sydney Service Centre, while considerably below the metropolitan average, is a CBD located Service Centre and interacts with its customer base in a manner that is consistent with other Sydney CBD located Service Centres. The Wynyard (30%) and Haymarket (39%) Service Centres are particularly comparable as commuter customer traffic to these Service Centres is higher than the rest of the network.

Conversely, the Edmondson Park Service Centre, which is located south of the 2170 postcode boundary, attracts considerably less customers from that postcode than the Liverpool Service Centre (63%) located on the northern border of the boundary. It is possible that, as



Edmondson Park is a high growth area, the Service Centre has been established in advance of the anticipated population growth (which would drive increased customer demand) and this anticipation for expansion is in line with Program benefits.

Similarly, the Roselands Service Centre does not seem to be attracting the customer share common to metropolitan Service Centres. Despite the Roselands Service Centre being located within the boundary of its most active postcode (2196), the Service Centre is not attracting most of the customer base. In contrast, the Bankstown Service Centre, which closely neighbours the Roselands Service Centre and processes 38% of the 2196 postcode’s transactions, also processes 68% of its main postcode’s transactions (2200), which is equivalent to the metropolitan average. This may indicate that customers from the 2196 postcode feel the neighbouring Bankstown Service Centre, serviced by both rail and buses, is a more conveniently accessible site.

The measure does not conclusively indicate that Service Centres are either well or poorly situated and the implication for the Roselands Service Centre is not necessarily that it is not accessible. The low customer share for its most active postcode may be a factor of the proximity to the surrounding Service Centres or an intent to prepare for future demand. However, it is evident that customer flow to the Roselands Service Centre does not behave in a similar manner to the metropolitan average in providing access to Government services.

#### 4.3.2 Customers frequenting the new Service Centres are finding the site convenient to access.

Attribute of Success 11: Customers frequenting the new Service Centres are finding the site convenient to access.			
<i>Metric: Percentage of Customers 'Very Likely', 'Likely', or 'Somewhat Likely' to visit the same Service Centre next time (positive percentage point difference is a benefit)</i>			
New Service Centre	(Intercept survey) The next time you need to visit a Service Centre, how likely would you be to visit this particular Service Centre?	Baseline: (Online survey) The next time you need to visit a Service Centre, how likely would you be to visit this particular Service Centre?	Percentage point Difference
Revesby	98	91	7
Engadine	95	91	4
Roselands	97	91	6
Edmondson Park	95	91	4
Merrylands	97	91	6
North Sydney	94	91	3

There was little evidence from the intercept survey that customers found the new Service Centres to be inconvenient to access. The vast majority of customers surveyed as they exited the new Service Centres (96%) claimed they are likely to revisit. When given the opportunity to provide their main reasons for this response (multiple selections allowed), respondents indicated 'close to their place of residence' (75%), 'easy for them to get to' (14%), 'close to where they work' (12%), 'familiarity with the Service Centre' (11%) and 'ease of finding parking' (10%) as their primary reasons. For the few (3%) who were unlikely to revisit that Service Centre, the main reasons provided were 'far from where I live' (70%), 'far from where I work' (10%), and 'hard to get to' (10%).

Among respondents from the Revesby Service Centre that did not indicate the Service Centre was the closest to their residence or work (19%), there was a feeling that the Service Centre was more convenient than the neighbouring Bankstown Service Centre. Similar responses were noted at the Edmondson Park Service Centre, in relation to the Macarthur Service Centre and at the Merrylands Service Centre, where 14% of respondents indicated the Service Centre was easier to get to or easier to find parking at than surrounding Service Centres. For the Revesby, Edmondson Park and Merrylands Service Centres this suggests that these Service Centres are considered more convenient than other existing Service Centres.

Responses to the reasons why customers would revisit the Service Centre for the North Sydney Service Centre, a CBD location, were uniquely related to the Service Centre being close to where customers work, with 40% of respondents indicating this as their reason for attending (compared to an average of 13%).

Overall, 94% of our online respondents claimed to have visited a Service Centre in the last three years. The most common reason provided for visiting the Service Centre location was because it was close to where they lived (73%), followed by it being easier for the customer to get to (20%) and the familiarity with the Service Centre (20%). This confirms the results from the intercept survey that the proximity of a Service Centre to a customer's place of residence is the single most important factor in deciding which Service Centre to visit.

## 5. Was the Service Centre digital-first design appropriate for the Program to achieve its benefits?

This Chapter seeks to answer Key Evaluation Question three:

- *Was the Service Centre digital-first design appropriate for the Program to achieve its benefits?*

To evaluate this question, the Program benefits are summarised into the following sub-questions:

- *How effectively does the Program target a digital-first approach?*
- *Is the digital-first design consistent with the objective of improved customer experience?*
- *In the digital-first design, was the counter to self-service floor space ratio optimal?*

### 5.1 How effectively does the Program target a digital-first approach?

This sub-question is empirically evaluated using the single quantitative data metric in the table below. Taking into consideration the benefits outlined in the Project Management Plan to ‘Provide better government digital services’, the metric evaluates whether customers at the new Service Centres are utilising the digital spaces prioritised in these new Service Centres.

Performance against the ‘Attribute of Success’ metrics is summarised below, with favourable results highlighted in blue:

New Service Centre	Attribute of Success 12: More customers in the new Service Centres are being directed to use digital (Self-service kiosk) options. (Percentage point difference to metro average)	
Revesby		2
Engadine		13
Roselands		5
Edmondson Park		10
Merrylands		15
North Sydney		-4

### 5.1.1 More customers in the new Service Centres are being directed to use digital (Self-service kiosk) options.

Attribute of Success 12: More customers in the new Service Centres are being directed to use digital (self-service kiosk) options.					
<i>Metric: Self-service kiosk activity (positive percentage point difference is a benefit)</i>					
New Service Centre	Kiosk Transactions	Total Transactions	Kiosk transactions (% of total)	Baseline (%) (Metro average)	Percentage point Difference
Revesby	4,150	2,037	33%	31%	2
Engadine	2,025	1,579	44%	31%	13
Roselands	3,632	1,974	35%	30%	5
Edmondson Park	4,062	2,196	35%	25%	10
Merrylands	4,728	3,023	39%	24%	15
North Sydney	1,782	432	20%	24%	-4

This measure indicates that customers are being directed to digital options in the new Service Centres more frequently than the metropolitan average. Service Centres are adopting a digital-first approach and increasing customer digital awareness in line with the Program’s ‘Provide better government digital services’ benefit. All new Service Centres, other than the North Sydney Service Centre, display kiosk to counter transaction ratios above the mean and are generally in the top 10 performing metropolitan Service Centres in connection to this metric.

There are quite significant differences in kiosk usage for the Engadine, Edmondson Park and Merrylands Service Centres compared to the metropolitan average. Interestingly, the Revesby Service Centre does not exhibit a higher self-service kiosk usage, comparatively, given the floor space of the Service Centre devoted to self-service (with 17 self-service devices to five active counters).

Notable for this measure is that the Woy Woy Service Centre has, by far, the highest kiosk to counter transactions ratio with results consistently greater than 50%. In comparison, the Engadine Service Centre has the highest ratio of the new Service Centres with 44%.

While this measure indicates a drive to target digital options in the new Service Centres and a higher-than-average customer usage of ‘in-Centre’ digital options, at the time of reporting this does not appear to have translated to a realised ‘out-of-Centre’ digital uptake benefit for the new Service Centres (see Attributes of Success 5 and 6 in Section 3.2).

## 5.2 Is the digital-first design consistent with the objective of improved customer experience?

This sub-question is empirically evaluated using three metrics in the tables below, a data metric, customer surveys and a staff survey. Taking into consideration the benefits outlined in the Project Management Plan to 'Provide better government digital services':

- The quantitative data metric evaluates whether the customers at the new Service Centres can transition to a cashless environment. The measure seeks to determine whether cashless Service Centres are receipting similar quantities of payments to the metropolitan average, including cash payment-accepting Service Centres. This measure will indicate whether customers are deterred by the cashless aspect of the new Service Centre design.
- The qualitative customer survey seeks feedback from attending customers on their satisfaction with the design of the Service Centre. There were two survey instruments used to inform the response to this criterion – an online survey sent to customers residing in the postcodes surrounding the new Service Centres and the customer intercept survey at each of the six new Service Centres (engaged by an external vendor; Woolcott Research). The online survey and customer intercept survey targeted two distinct customer groups; while the online survey targeted past and potential customers residing near the new Service Centres, the customer intercept survey was conducted with customers who attended one of the new Service Centre sites as they exited the Service Centre that day.
- To further support a determination on whether the new Service Centre's design has contributed to customer satisfaction, staff sentiment has been considered. Utilising the People Matter Employee Survey (PMES), a quantitative staff survey, to understand whether staff working in the new Service Centres believe their work environment contributes to delivering good customer service.

Performance against the 'Attribute of Success' metrics is summarised below, with favourable results highlighted in blue:

New Service Centre	Attribute of Success 13:	Attribute of Success 14:	Attribute of Success 15:
	Customers are comfortable transitioning to the new cashless Service Centre design. (Percentage point difference to metro average)	Customers frequenting the new Service Centres are finding the digital-first design easy to navigate.	Staff find the new sites conducive to improved customer experience. (Percentage point difference to metro average)
Revesby	N/A	1	0
Engadine	1.4	1	11
Roselands	-4.1	-1	N/A
Edmondson Park	0.6	1	18
Merrylands	-4.1	0	11
North Sydney	1.7	0	17

### 5.2.1 Customers are comfortable transitioning to the new cashless Service Centre design.

Attribute of Success 13: Customers are comfortable transitioning to the new cashless Service Centre design.

*Metric: Payment transactions as a percentage of total transactions (positive percentage point difference is a benefit)*

New Service Centre	Payment transactions (%)	Baseline (%) (Metro average)	Percentage point Difference
Revesby	** Revesby is not a cashless Service Centre		
Engadine	48.3%	46.9%	1.4
Roselands	41.8%	45.9%	-4.1
Edmondson Park	49.2%	48.6%	0.6
Merrylands	45.3%	49.4%	-4.1
North Sydney	51.1%	49.4%	1.7

All cashless Service Centres appear to be receipting similar proportions of payment transactions to the rest of the network and three of the five Service Centres exhibit higher than average payment transaction receipting. This indicates that customers to these Service Centres are not deterred by the cashless environment, typical of the new Service Centre design. Noting that the Revesby Service Centre is not a cashless Service Centre and has been excluded from this analysis.

The Roselands and Merrylands Service Centres, while consistently below the metropolitan average, are never sufficiently below the average to suggest customers are deterred by the cashless environment. It has already been noted these Service Centres have contributed to a reduction in demand at their surrounding Service Centres (Attributes of Success 8). While, for the October to December 2022 quarter these Service Centres were 2.6 and 2.8 percentage points from the metropolitan average.

These cashless payment transaction levels, particularly when combined with the positive trend in the new Service Centres utilising the self-service options (Attribute of Success 12), indicate that customers are not deterred by these digital components of the Service Centre design.

### 5.2.2 Customers frequenting the new Service Centres are finding the digital-first design easy to navigate.

Attribute of success 14: Customers frequenting the new Service Centres are finding the digital-first design easy to navigate.			
<i>Metric: Percentage of customers that found it 'Very easy', or 'Easy' to find where they needed to go in the Service Centre (positive percentage point difference is a benefit)</i>			
New Service Centre	(Intercept Survey) How easy was it to find where you needed to go in the Service Centre?	Baseline: (Intercept Survey) How easy was it to find where you needed to go in the Service Centre (Average)?	Percentage point Difference
Revesby	99%	98%	1
Engadine	99%	98%	1
Roselands	97%	98%	-1
Edmondson Park	99%	98%	1
Merrylands	98%	98%	0
North Sydney	98%	98%	0

To evaluate customer ease of navigation within the new Service Centres, the customer intercept survey asked questions about the different zones within the Service Centre a customer visited, including counter, self-serve, knowledge test and Savings Finder appointment areas, and the ease of navigating through them. Overwhelmingly, the intercept survey indicates customers can easily navigate the new Service Centres (98%), while 75% of surveyed customers felt the digital design enhanced their experience. Results suggests that customers appreciate a modern, spacious design, good customer service and minimal wait

times, with no indication that that they necessarily appreciate the greater digital focus of the design.

It is worth noting that only 35% of respondents at the Roselands Service Centre indicated that the digital design enhanced their experience. This affirmative response rate is significantly lower than the other Service Centres, where response rates otherwise range from 92% at the Edmondson Park Service Centre to 78% at the North Sydney Service Centre, and may be a reaction to higher wait times at this Service Centre. A small portion of respondents provided feedback on future improvement areas within Service Centres. For instance, some respondents from Roselands Service Centre (6%) and Merrylands Service Centre (5%) suggested additional employees at busy hours or to extend opening hours to accommodate customer demand and minimise wait time, as they found the Service Centres could be crowded.

According to the online survey, approximately 90% of respondents (who represented customers residing within postcodes near the new Service Centres) expressed satisfaction with the look and layout of the Service Centres they visited. Confirming the results from the intercept survey, satisfaction with the look and layout of the Service Centre was higher among customers who attended a new Service Centre (97%) than an existing Service Centre (87%). The main reasons cited for this satisfaction were 'easy and open layout' and 'easy to navigate' (accounting for 42% of total responses).

Responses to the online survey reaffirm the intercept survey results that customers are appreciative of a modern, spacious design. Customers found the new Service Centres aesthetically pleasing and with appropriate signage, which facilitated easy navigation and contributed to an enhanced customer experience.



### 5.2.3 Staff find the new sites conducive to improved customer experience.

Attribute of Success 15: Staff find the new sites conducive to improved customer experience.

*Metric: Staff PMES survey responses (positive percentage point difference is a benefit)*

New Service Centre	Favourable Responses (%) (Overall Customer Service)	Baseline (%) (Metro Average)	Percentage point Difference
Revesby	78%	78%	0
Engadine	89%	78%	11
Roselands	Hidden <sup>21</sup>	78%	N/A
Edmondson Park	96%	78%	18
Merrylands	89%	78%	11
North Sydney	95%	78%	17

New Service Centre staff responses to the People Matter Employee Survey (PMES) 2022 ‘Customer Service’ subdomain are generally very positive. Four of the five new Service Centres with reportable results are significantly more optimistic about their ability to contribute to good customer service than the metropolitan average. Revesby Service Centre responses were consistent with the mean, although with generally very positive results (compared to the mean) across the other surveyed subdomains, particularly Employee Engagement, Job Satisfaction, and Wellbeing. The Roselands Service Centre, it should be noted, did not have sufficient participation to support reportable findings.

Overall, the new Service Centres tended to provide more favourable responses to all survey subdomains (Employee Engagement, Job Satisfaction, Wellbeing, Customer Service, and Role Clarity and Support) indicating staff in these new Service Centres are positive about their work environment, generally.

The Roselands Service Centre returned low survey participation for the 2022 PMES, with no results available for three of the five subdomains and a return of 40% for the Wellbeing and Role Clarity and Support subdomains. While this indicates a degree of uncertainty at this Service Centre, it should be noted that the Service Centre’s 2021 PMES results were very strong, with a Customer Service score of 94% (compared to the metropolitan wide result of 85%) and all subdomains above 90% and well above the mean.

<sup>21</sup> With response rates below the response threshold from the Roselands Service Centre, the PMES survey data for this question has been hidden for anonymity reasons.

### 5.3 In the digital-first design, was the counter to self-service floor space ratio optimal?

This sub-question is empirically evaluated using two metrics in the tables below, a data metric and a customer survey. Taking into consideration the benefits outlined in the Project Management Plan to ‘Provide better government digital services’:

- The quantitative data metric evaluates whether the new Service Centres’ wait times are impacted by the priority given to digital spaces in the new Service Centres. Wait times are considered an indicator of whether the new Service Centre has sufficient counter space to support customer demand.
- The qualitative customer survey seeks feedback from attending customers on their satisfaction with their service wait times. There were two survey instruments used to inform the response to this criterion – an online survey sent to online survey panelists who reside in the postcodes surrounding the new Service Centres and the customer intercept survey at each of the six new Service Centre (engaged by an external vendor; Woolcott Research). The online survey and customer intercept survey targeted two distinct customer groups; while the online survey targeted past and potential customers residing near the new Service Centres, the customer intercept survey was conducted with customers who attended one of the new Service Centre sites as they exited the Service Centre that day.

Performance against the ‘Attribute of Success’ metrics is summarised below, with favourable results highlighted in blue:

New Service Centre	Attribute of Success 16:	Attribute of Success 17:
	Customer wait times are not impacted by a greater proportion of Service Centre floor space being allocated to digital kiosks.  (Difference in seconds to the metro average)	Customers frequenting the new Service Centres are finding there are sufficient counters to support them.
Revesby	22.9	-2
Engadine	-122.8	4
Roselands	-30.6	-6
Edmondson Park	-392.1	3
Merrylands	-140.3	2
North Sydney	-243.1	-3

### 5.3.1 Customer wait times are not impacted by a greater proportion of Service Centre floor space being allocated to digital kiosks.

Attribute of Success 16: Customer wait times are not impacted by a greater proportion of Service Centre floor space being allocated to digital kiosks.

*Metric: Wait times (negative difference is a benefit)*

New Service Centre	Average Wait time (Unit: seconds)	Baseline (Unit: seconds)	Difference (Unit: seconds)
Revesby	400.7	377.9	22.9
Engadine	255.1	377.9	-122.8
Roselands	376.9	407.6	-30.6
Edmondson Park	167.3	559.4	-392.1
Merrylands	567.3	707.6	-140.3
North Sydney	464.6	707.6	-243.1

From this measure there is no indication that the new Service Centre design, which prioritises digital spaces, is at the expense of the Program’s ‘Improve customer service’ benefit. For four of the six new Centres, customer wait times are considerably lower than the average for similar sized metropolitan Service Centres. The remaining two Service Centres are aligned with the average.

The Engadine, Revesby and Roselands Service Centres are categorised<sup>22</sup> as small sized metropolitan Service Centres. The Engadine Service Centre processed under 10,000 transactions in the reporting period compared to the average for similar sized Service Centres of 13,000, which may corroborate the low wait time result. The Revesby Service Centre, conversely, processed almost 16,000 transactions indicating that for a small-scale Service Centre, the Revesby Service Centre received significant traffic flow which seems to have impacted wait times. This is similarly the case with the Roselands Service Centre processing 24,000 interactions compared to the 16,000 average over the reporting period, and Roselands Service Centre’s marginally positive performance in the metric above reflects this.

North Sydney and Merrylands are medium sized Service Centres. The North Sydney Service Centre received comparatively fewer transactions than the average for Service Centres of a similar size and again this is reflected in the lower wait times at this Service Centre. The

<sup>22</sup> Metropolitan Service Centre size categories for the purpose of this evaluation are broadly defined as: Small < 10 counters, Medium < 15 counters, Large < 20 counters and Extra Large >= 20 counters.

Merrylands Service Centre, however, processed an average number of transactions in the period and was still able to return wait times below the mean.

Edmondson Park, a large Service Centre with relatively few customer transactions (18,000) compared to the average (29,000) returned comparatively lower wait times in this measure.

Already in the report, there is evidence that the locations of the Service Centres may have impacted customer traffic for North Sydney (Attribute of Success 1 and 8) and Edmondson Park (Attribute of Success 9) in particular. It is apparent in this measure as well that some of the new Service Centres may be sized for future rather than existing demand (notably, North Sydney, Edmondson Park, and Engadine). This sizing for expansion is in line with the Program's objectives, where a clearly outlined benefit is to 'Support expansion of services.' However, opening these new Service Centres in advance of future demand growth may also have the effect of artificially improving wait times at these Service Centres with more counters in operation.

Even as this measure suggests there are no adverse customer service implications of the Service Centre design, it is uncertain in the design of the new Service Centres whether a digital space was prioritised appropriately. It is evident through the construction process that four of the six Service Centres were designed with more counters than original capacity estimates suggested<sup>23</sup>. While it is noted that the Service Centres were to be designed to meet future requirements and therefore carry some latent capacity, it is possible that the digital space in these Service Centres is compromised to support this additional counter capacity.

In reviewing the self-service device to counter ratios across the metropolitan network it can be shown again that the Woy Woy Service Centre has prioritised a digital offering with a ratio of 4.5 digital kiosk devices per counter. Revesby and Engadine, the two Service Centres that did not opt for additional counters in design, are nearest to Woy Woy's ratio with 3.4 and 2.2 respectively. However, no other new Service Centre has a ratio of digital kiosks to counters at or above 2:1, with Edmondson Park and Merrylands below the average metropolitan ratio of digital kiosk devices to counters.

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<sup>23</sup> Based on Program finance details document: Program finances – CAPEX NSC 28-04-23

### 5.3.2 Customers frequenting the new Service Centres are finding there are sufficient counters to support them.

Attribute of Success 17: Customers frequenting the new Service Centres are finding there are sufficient counters to support them.			
<i>Metric: Percentage of customers 'Very satisfied', or 'Satisfied' with their wait time in the Service Centre (positive percentage point difference is a benefit)</i>			
New Service Centre	(Intercept survey) Overall, how satisfied were you with how long you waited to be served?	Baseline: (Intercept survey) Overall, how satisfied were you with how long you waited to be served (Average)?	Percentage point Difference
Revesby	93%	95%	-2
Engadine	99%	95%	4
Roselands	89%	95%	-6
Edmondson Park	98%	95%	3
Merrylands	97%	95%	2
North Sydney	92%	95%	-3

To examine whether there are sufficient counters in the new Service Centres, a specific section of the customer intercept survey focuses on seeking customer feedback regarding wait time in the counter areas of the Service Centres. The findings from the intercept surveys suggest customers are satisfied with the service levels in the new Service Centres. Most respondents (95%) expressed satisfaction with wait time at the counters, indicating that there are sufficient counters to support them, and the counter-to-self-service floor space ratio is appropriate.

Intercept survey results showed that 59% of respondents had expected to be served at the counter within 10 minutes whereas 84% of respondents were actually served within this timeframe. Furthermore, 34% of respondents reported waiting less than 2 minutes to be served at the counter, where only 12% of the surveyed customers had an expectation of a wait time under 2 minutes. These findings indicate that customers experienced shorter wait time than they had anticipated, contributing to these high levels of customer satisfaction.

For the Roselands Service Centre, customer expectations of wait times were the lowest of the new Service Centres with 45% expecting to wait less than 10 minutes compared to the average of 59%. However, this expectation is influenced by the wait times experienced, where 63% of surveyed customers were served within 10 minutes compared to 85% across the new Service Centres. This is reflected in the satisfaction levels at this Service Centre (6 percentage points below the mean).

The Revesby and North Sydney Service Centres served the majority of their surveyed customers within 10 minutes (89% and 88% respectively) and satisfaction levels at these Service Centres are adequate, despite being below the average. The very high satisfaction results for the Engadine and Edmondson Park Service Centres of 99% and 98% respectively inflates the overall customer satisfaction average. These high satisfaction levels reflect very low wait times in these Service Centres, with 98% and 97% of surveyed customers, respectively, served with 10 minutes.

The Engadine and Edmondson Park Service Centres, along with the North Sydney Service Centre, were noted in Section 5.3.1 as processing fewer transactions than other metropolitan Service Centres of similar size. These three Service Centres served significantly more of their surveyed customers within 2 minutes than the average (60%, 54% and 45% respectively compared to the average of 35%), which may also suggest these Service Centres have capacity to meet future growth, in addition to providing appropriate counter ratios to customers.

## 6. Did the Service Centre delivery process contribute to success?

This Chapter seeks to answer Key Evaluation Question four:

- *Did the Service Centre delivery process contribute to success?*

To evaluate this question, the Program benefits are summarised into the following sub-questions:

- *How effective was the stakeholder engagement across the Program?*
- *Were decision making arrangements conducive to success In the digital-first design, was the counter to self-service floor space ratio optimal?*
- *How effective was the program in engaging services from internal/external providers (including scheduling and overseeing delivery)?*

### 6.1 How effective was the stakeholder engagement across the Program?

This sub-question is evaluated comparing stakeholder interviews with Program documentation. Responses from stakeholder interviews and self-completed questionnaires were used to provide insight on the level of stakeholder engagement in the duration of the program scope, as well as the governance arrangements, project processes, and perceived outcomes of the Program. Stakeholders and respondents included members from the Steering Committee, the Project team, as well as operational subject matter experts.

Performance against the ‘Attribute of Success’ metrics is summarised below, with favourable results highlighted in blue:

New Service Centre	Attribute of Success 18:	
	Internal stakeholder engagement governance arrangements and processes for individual Service Centre projects were consistent across the program and contributed, positively, to the delivery of fit for purpose Service Centres.	
Revesby	Yes	
Engadine	Yes	
Roselands	Yes	
Edmondson Park	Yes	
Merrylands	Yes	
North Sydney	Yes	

**6.1.1 Internal stakeholder engagement governance arrangements and processes were consistent across the program and contributed, positively, to the delivery of fit for purpose Service Centres.**

Attribute of Success 18: Internal stakeholder engagement governance arrangements and processes for individual Service Centre projects were consistent across the program and contributed, positively, to the delivery of fit for purpose Service Centres.

*Metric: Achieved result is derived from the consensus view from stakeholders interviewed or surveyed.*

Category	Achieved
Updates and Communications	Yes
Risks and Issues	Yes
Roles and Responsibilities	Yes

**a) Updates and Communications**

Overall, 95% of key stakeholders interviewed were satisfied with the Program outcomes. Further, over 80% of respondents believed information and updates were informative and effective in assisting stakeholders perform their respective roles within the Program, and any small miscommunications that occurred were promptly addressed.

However, respondents reported occasional communication breakdowns among internal teams. Steering Committee and Project team respondents cited, specifically, an inadequate handover during the transition from the original to the succeeding Program Manager. This was particularly evident in relation to the Program’s engagement of the Frontline Service Delivery – Operations directorate. The importance of this directorate in providing expertise and knowledge on security, Service Centre functionality, and operational service delivery was not effectively conveyed to the incoming Project Manager. Respondents were in concurrence, however, that this lack of clear communication during handover was rectified under the incoming Project Manager and stakeholder engagement, more generally, improved as well. Once clarification was given on the roles and responsibilities of the Frontline Service Delivery – Operations directorate, there was an uplift of information at Steering Committee meetings that bridged the gap between design and the operational expertise required for delivery.

The more-than-adequate communications throughout the Program are confirmed by the findings from the documentation review undertaken in parallel with the stakeholder interviews. It was apparent through this review that formal communication mediums (namely, Steering Committee documents and minutes) were consistently maintained and stored over the course of the Program. Further, it is clear the Steering Committee meeting documents consistently addressed major project control components:



- Financial status
- Program schedule
- Key risks
- Progress on activities
- Overall health status of the Program

The Project team has also made significant efforts to retain informal modes of communication, such as email updates and communications.

## **b) Risks and Issues**

All Steering Committee members interviewed felt that risks were raised and tracked appropriately and were confident that appropriate mitigations and management strategies were proposed by the Project team in Steering Committee meetings. In general, stakeholders reported that risks and issues were well managed; this is evident in the effective handling of operational network equipment during a global shortage experienced during the deployment of the new Service Centres. In this situation, the Project team raised the issue with the Steering Committee and immediate action was taken, with a weekly major incident review meeting convened and attended by appropriate decision-makers and with an escalation pathway to the Steering Committee out of session. The major incident review meetings provided valuable governance to ensure these supply-chain issues were addressed in a timely manner and Program outcomes were supported.

There was a suggestion from one respondent that while risks were raised during Steering Committee meetings, they were not raised within the Working Groups, or at least were not raised in a timely manner. This, however, was only apparent in rare instances where unforeseen risks, such as unavailability of network switches, were only realised close to the opening of a Service Centre or during the immediate post-opening period. The delay in communication of these unforeseen risks did obviously affect the Project team's ability to resolve issues effectively, requiring remedial fixes to manage the residual risk.

Findings from the document review corroborate that risks and issues were consistently maintained and communicated throughout the Program. All risks and issues were recorded and maintained in the appropriate Service NSW software application ('Clarity' and later 'Altus') and Program Steering Committee presentation documents regularly include risk and issue updates.

## **c) Roles and Responsibilities**

The majority of the Steering Committee respondents (seven of the eight interviewed) understood the purpose of the Steering Committee and the role of their members. One of the eight Steering Committee members interviewed stated that the original governance structure had changed during delivery to re-align with the program of work. Along with this, there was a change in the internal approval pathways such that they were spread across multiple divisions of DCS and Service NSW, which added ambiguity. Another respondent from the Steering Committee shared that the Committee structure, consisting of an Executive Director and their

direct reports, did not contribute to diversity of ideas or objectivity in decision making. This respondent also expressed concern that some decision-making stakeholders may not have had the technical expertise to fully understand the design compliance required and in the absence of clearly defined, overarching design principles, this necessitated a longer design review process. However, overall, these members were satisfied with Program outcomes.

A significant finding from the document review is that there was a dearth of formalised Program initiation documents, such as, a Project Management Plan, a document which remains in draft at the time of the evaluation. Were the Program to have formalised these documents, through a thorough planning process prior to initiation, it is likely any issues underpinning roles and responsibilities (such as design principles and Program objectives), may have been clearer to stakeholders.

## 6.2 Were decision-making governance arrangements conducive to success?

This sub-question is evaluated in comparing stakeholder interviews with Program documentation reviews. Responses from stakeholder interviews and self-completed questionnaires were used to provide insight on the level of stakeholder engagement in the duration of the program scope, as well as the governance arrangements, project processes and perceived outcomes of the program. Stakeholders and respondents included members from the Steering Committee, the Project team as well as operational subject matter experts.

Performance against the ‘Attribute of Success’ metrics is summarised below, with favourable results highlighted in blue:

New Service Centre	Attribute of Success 19:	
	Internal decision-making processes for individual Service Centre projects were consistent across the program and contributed to the delivery of consistent / strategic outcomes.	
Revesby	Yes	Yes
Engadine	Yes	Yes
Roselands	Yes	Yes
Edmondson Park	Yes	Yes
Merrylands	Yes	Yes
North Sydney	Yes	Yes

**6.2.1 Internal decision-making processes for individual Service Centre projects were consistent across the Program and contributed to the delivery of consistent / strategic outcomes.**

Attribute of Success 19: Internal decision-making processes for individual Service Centre projects were consistent across the program and contributed to the delivery of consistent / strategic outcomes.

*Metric: Achieved result is derived from the consensus view from stakeholders interviewed or surveyed.*

Category	Achieved
Consistent information	Yes
Decision making process	Yes
Program Scope	Yes

**a) Consistent information**

All Steering Committee members shared they were well informed on the Program’s progress through the updates received in the monthly Steering Committee meetings. They also felt that the guidance and recommendations received from subject matter experts assisted when risks were raised or when decisions were required.

All Steering Committee voting members interviewed also felt the Steering Committee meetings were consistent, informative, and effective for decision-making throughout the Program. However, one Steering Committee member voiced concerns that Steering Committee meetings required more rigour. This respondent believed decisions on the design of Service Centres were not made objectively, stating that ‘bespoke design with subjective decisions on design, compromised the digital-first outcomes.’

Further, 12 of the 13 interviewed stakeholders that provided inputs to decision-making shared that expectations were clear and consistent. Overall, decisions were well documented and communicated effectively to stakeholders, notwithstanding the handover difficulties noted in section 6.1.1. There were outlier issues with stakeholder communication, such as a recruitment stakeholder raising that they were not effectively informed of, COVID related, delays to the opening of new Service Centres (information that may have allowed them to delay releasing job advertisements). Similarly, a Frontline Service Delivery – Operations stakeholder shared that they were not consulted on the number of Driver Testers deployed at each new Service Centre, initially resulting in incorrect numbers of Driver Testers being utilised. However, these concerns did not impede the Program, were rectified over the course of the Program and, overall, respondents to interviews and surveys were satisfied with the general state of communications.

The document review undertaken to partner the stakeholder interviews corroborate these generally positive findings on Program communications, with all Steering Committee meetings appearing well organised and documented. The issues raised by stakeholders, particularly relating to recruitment, staffing, and Service Centre design are indicative of shortcomings in the early stages of Program planning where formalised planning documentation was not produced, and recruitment and design not addressed in the scope of the Program.

## **b) Decision-making process**

All Steering Committee voting members felt the established decision-making processes supported the positive outcomes of the Program and that decisions that needed to be made rapidly were managed and escalated to the relevant decision-makers in a timely manner. For example, a respondent noted that issues surrounding site selection for certain Service Centres were effectively escalated to the Steering Committee for rapid decisions to be made.

Steering Committee meetings were the main forum for decision-making, while decisions regarding rapid operational changes such as staff numbers, amenities, and floor layouts were often made in the Working Group. Where there was no consensus in the Working Group, decisions were escalated to the Steering Committee. Stakeholders who provided inputs to decision-making, such as site layout, design, facilities, and analysis on topics like customer volumes, felt the inputs and decision-making criteria required from them remained consistent and they were sufficiently informed of these decision-making requirements throughout the Program.

Over 80% of stakeholders interviewed confirmed that decisions were documented and communicated effectively via multiple communication channels, including emails, written documentation (e.g., Steering Committee documents, design documentation, meeting minutes, design registers, and 'lessons learnt' registers), and meetings. However, it was noted by one respondent that more transparency regarding why decisions are made would help inform decisions for potential future Service Centre releases, especially where rapid decision making was required and where decisions were made against recommendation.

A Project team stakeholder representative interviewed shared the sentiment that with recurrent changes to the Steering Committee membership, generally a result of staff turnover, new stakeholders were unclear of approval pathways. Over the short term, this resulted in prolonged approval times, but the knowledge gap was quickly and proactively remediated with extra engagement between the Project team and the new stakeholder. The Project team also felt greater in-house technical knowledge and expert subject matter guidance would benefit decision-makers, particularly where design-related decisions needed to be made.

Not all the decisions made throughout the Program are easily trackable within the suite of documentation reviewed as part of the evaluation. While the core decisions are referenced in the Steering Committee meeting minutes, these do not encompass the full scope of decisions being made by the Steering Committee. For example, some out of session decisions were

obtained through email, including final site opening approvals. These approval emails and signed documents, however, are retained in the Program documents.

The decision-making process was effective for the purpose of delivering the new Service Centres, notwithstanding the short-term issues surrounding roles and responsibilities in decision-making which suggest that at times greater clarity was required by stakeholders. Findings from the document review indicate that the 'lessons learnt' process might have been more thoroughly utilised to benefit the broader Program in maturing the decision-making process, resources permitting. While site specific post-implementation reviews have been undertaken at the 'End of Go Live' phase for each Service Centre delivered, the recommendation from the pre-execution review<sup>24</sup> completed for the Program was to apply the 'lessons learnt' process after each key phase of the Program. The 'End of Go Live' Lessons Learnt addressed site-specific details (for example, focusing on the ergonomics of counter drawers), with little guidance on possible Program-level improvements, such as decision-making processes. The Project team was proactive in ensuring continuous improvement throughout the Program, however, a mid-Program review or lessons learnt activities to address decision making on Service Centre design would have been beneficial.

### **c) Program Scope**

Overall, stakeholders felt decision-making was effective in managing changes to the scope and brief of the digital-first design. These design principles evolved and adapted over the course of the Program to meet the local demographic requirements of each individual Service Centre, despite minor delays in design outcomes.

The Program's strategy initially prescribed a digital-first design, which included a set of design principles to apply to each new Service Centre. Over time, the design brief evolved to prioritise meeting the current and projected customer needs of the specific location (informed by frontline leaders who understand their customer demographic) and delivering to current and projected core services from Service NSW (as informed by Government policy and community sentiment at the time). This resulted in design priorities shifting towards servicing persistent and expected future customer demand for counter-based services. The shift in priorities for the design brief resulted in longer consultations on the design and branding requirements than was initially scheduled in the Program, however, these delays were effectively absorbed by the Program and delivery dates were not adversely affected.

This flexibility in design is confirmed in the findings from the document review, where the Program scope clearly outlines the construction focus of the Program, with Service Centre design, staff recruitment, and staff training considered dependencies. The scope of the Program neglects the proposed Program benefits outlined in these planning documents, which requires Program outcomes to include an increased customer uptake and awareness of digital channels. To align these Program elements the creation of a Benefits Realisation Framework may have been beneficial in providing clarity on Program scope. While the Program has effectively delivered bespoke Service Centres, the absence at initiation of a

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<sup>24</sup> Gate 3 Review Report, Pre-execution New Metropolitan Service Centres, May 2020

realisation framework has meant that the success criteria for the service-level benefits of the Program, such as digital uptake and awareness, may not have been considered.

### 6.3 How effective was the program in engaging services from internal/external providers (including scheduling and overseeing delivery)?

This sub-question is evaluated in comparing stakeholder interviews with Program documentation reviews. Responses from stakeholder interviews and self-completed questionnaires were used to provide insight on the level of stakeholder engagement in the duration of the program scope, as well as the governance arrangements, project processes and perceived outcomes of the program. Stakeholders and respondents included members from the Steering Committee, the Project team as well as operational subject matter experts.

Performance against the ‘Attribute of Success’ metrics is summarised below, with favourable results highlighted in blue:

New Service Centre	Attribute of Success 20: The Program's practice of engaging services contributed positively to program delivery
Revesby	Yes
Engadine	Yes
Roselands	Yes
Edmondson Park	Yes
Merrylands	Yes
North Sydney	Yes

### 6.3.1 The Program's practice of engaging services contributed positively to program delivery.

Attribute of Success 20: The Program's practice of engaging services contributed positively to program delivery.	
<i>Metric: Achieved result is derived from the consensus view from stakeholders interviewed or surveyed.</i>	
Category	Achieved
Vendor engagement and capabilities	Yes
Engagement with key internal stakeholders	Yes
Budget	Yes

#### a) Vendor engagement and capabilities

All key stakeholders were satisfied with vendor engagement and with the capabilities demonstrated by vendors engaged in the Program.

Vendors demonstrated a keen understanding of the objectives of the Program and played a substantial role in executing their work with exceptional quality, as reported by respondents. The Project team shared that there were effective controls to support the delivery of services by vendors, including site mitigation strategies, contingency plans, stocks procurement and bulk ordering, cost efficiency reviews, and proactive engagement and negotiation with contractors.

Respondents from the Steering Committee (as decision-makers) and Frontline Operations (as end-users) were either satisfied or extremely satisfied with the capabilities demonstrated and quality delivered by vendors, especially when vendors proactively solved issues that had arisen. Collaboration and communication with vendors were effective in meeting expectations, and stakeholders felt issues were promptly addressed. The Program's proactive approach to addressing any issues that arose with vendors, whether internal or external, also contributed to the overall success of vendor engagement.

The effectiveness of vendor engagement is clear from the document review, where any delays to delivery tended to be documented as external factors:

- Lessor works - Lessor works surrounding the tenancy location affected the construction timeline, particularly escalator installations. This seemed to put lease negotiations at risk of being delayed.
- Tenancy options - The time constraints in finding appropriate tenancy locations appeared to impact site launch dates. Viable tenancy options seemed to be under a time-constraint due to pressures from property owners.

- COVID-19 lockdowns and other global delays - A degree of risk appeared to stem from construction industry delays and supply chain issues exacerbated by the COVID-19 lockdowns.
- Lease agreements - Some property owners surrounding prospective tenancy sites appeared to oppose development, complicating confirmation of appropriate site for tenancy.

## **b) Engagement with key internal stakeholders**

The Project team respondents were satisfied by the level of engagement from the Steering Committee and key internal delivery stakeholders, such as recruitment teams, Frontline Service Delivery – Operations, and DCS ICT services. The overall delivery timeline was achieved, and team collaboration and consultation with these stakeholders were adequate in delivering the Program.

The Project team expressed that key internal delivery stakeholders were receptive and approachable, as well as willing to resolve problems collaboratively. However, the engagement of these key delivery teams by the Project team could have been more collaborative and may have been hindered by the construction focus of the Program, particularly as:

- Service Centre staff recruitment was considered out of scope for the Program. This meant large scale recruitment activities became routine, day-to-day tasks for existing recruitment staff and Regional Managers. Respondents noted that Service Centre Regional Managers, now responsible for the recruitment, did not have the necessary experience with large recruitment actions or project management to integrate with the Program. Similarly, Recruitment teams felt they at times did not have appropriate access to communications on Service Centre launch dates, impeding their ability to efficiently on-board staff. This resulted in Recruitment Teams onboarding staff prematurely, requiring these staff to be situated in nearby Service Centres to bridge the delay. This issue was specific to the Edmondson Park Service Centre opening, however, and was a COVID related delay. The issue was raised with the Steering Committee and it did not affect Program timelines.
- There were issues in the engagement of DCS ICT support, the stakeholder responsible for the IT fit out of the new Service Centres. DCS ICT felt they did not have the processes or built-in redundancy to scale to meet Program requirements; a capacity issue not considered during the initial planning phase of the Program. This relationship required 'on the go' refinement, to ensure timelines could be met with minimal disruption.
- Already noted in Section 6.1.1, there was an early lack of engagement with the Frontline Service Delivery – Operations directorate, containing important stakeholders in providing expertise and knowledge on security, Service Centre functionality, and operational service delivery which led to Program reworks and delays. However, this did improve over the course of the Program.



The overall delivery timeline was achieved and mitigation strategies were in place to support the scheduled delivery of services. For instance, the Project team created timelines and actively maintained them during the Build Phase, adapting them as needed to accommodate any circumstantial changes.

### **c) Budget**

Finance and procurement stakeholders indicated that some of the Service Centres launched to date had exceeded their original budgets due to various project components and requirements not being factored into the original budget.

In FY24, a capital expenditure shortfall was forecasted for the Program and an additional funding request was lodged with Treasury. The reasons for the observed capital expenditure budget gap were due to:

- Changes to Service Delivery business requirements: increased tenancy sizes for additional business needs and a change in Service Centre requirements based on the forecast of future growth.
- COVID-19 pandemic impacts to global supply chains and increasing material costs.
- Rising industry costs not factored into the original Capex budget to cover a 4-year program delivery.
- Shortages of Australian-made materials, resulting in the purchasing of alternate materials from overseas markets, adding to increased shipping costs and longer lead times.
- IT budgets set by DCS ICT procurement being initially low and with little detail to aid in pre-planning estimates, resulted in a doubling of the IT budget over the life of the Program. Additionally, IT costs were further compounded by the simultaneous increase in the tenancy sizes of the new Service Centre sites, as counter numbers increased.
- The absence in the original budget of resourcing costs for the Project team to deliver on the Program. On average, each Service Centre project costs approx. \$250K to cover the resourcing costs of the internal Project team to deliver on the program. This has resulted in a forecast \$2.5M overspend (across the 10 new Service Centres) on internal resourcing alone.

The Project team appeared to dedicate significant effort to reviewing various options to address the budget overruns of certain Service Centres. The team also took further measures to maximise value for money in procurement, including:

- Exploring avenues for financial optimisation (e.g., sourcing alternative locally made materials, revising lease terms for Lessor works to include more base infrastructure and out-of-scope fit-out works and negotiations for significant lessor incentive contributions, totaling over \$1.1 million ).
- Reviewing and examining the expenditure and delivery process to date (e.g., conducting IT reconciliation audits to identify incorrect contract rates, and refining the

tender process with selected tenderers who provide quality work and competitive pricing).

- Identifying areas of potential cost reduction (e.g., bulk-ordering IT equipment, securing stock in advance, and quality auditing all design documentation to reduce discrepancies and inconsistent information).

In reviewing the Program's financial information, it is evident that costs were particularly high during COVID-19 lockdown periods, especially for IT costs which increased in response to scarce supply. However, the primary factor in the new Service Centres overspend appears to be the unbudgeted-for increases to counter numbers and therefore tenancy sizes of the new sites. Tenancy sizes and associated budget expectations for each new Service Centre are derived using pre-determined estimates of counter numbers based on estimated staffing capacity. Mid-Program adjustments to these numbers occurred at four of the six new Service Centres, and in each case, there was an overspend, as tenancy sizes and fit out costs increased. Conversely, the two Service Centres that did not require additional counters achieved budget.

## 7. Conclusion

### 7.1 Overview of key findings

#### 7.1.1 Did the Program realise the expected benefits derived from the Program objectives?

Overall, the Program was able to realise most of the expected benefits in improving customer experience across the metropolitan network. However, the new Service Centres did not appear to substantially divert customers towards online self-service options, away from visiting the Service Centre entirely. The sub-questions explore these conclusions in detail:

- *To what extent did the Program contribute to an improved customer experience, overall?*

The Program has demonstrably contributed to improved customer experience with the addition of the six new Service Centres. However, geographical constraints likely dampened North Sydney Service Centre's ability to alleviate wait times at the cross-harbour Wynyard location.

- *To what extent did the Program contribute to an improved digital take up for customers?*

While a stipulated benefit of the Program was to increase awareness and access to digital options, it is not clear a digital uptake – the proportion of digitally-offered services still processed over-the-counter at each Service Centre – above network baselines has been achieved based on results from these measures. While results for these new Service Centres have improved over time, none of the Service Centres are realising the digital uptake levels of the Woy Woy Service Centre, the blueprint for digital-first Service Centres.

It is apparent that some of the new Service Centres may be physically-sized and designed for future rather than existing demand, notably, the North Sydney, Edmondson Park, and Engadine Service Centres. While this is likely to have a positive impact on wait times over the short term and supports the expansion of services (a Program benefit) over the long term, it may be that excess capacity is prioritised over digital spaces in the current design of these new Service Centres. These new Service Centres, particularly, have designated digital spaces not dissimilar to the metropolitan standard, while no new Service Centre has a designated digital space that compares to the Woy Woy Service Centre.

Further, Service Centre design objectives have evolved over the course of the Program. Rather than adhering to digital-first design principles, Service Centre design has prioritised adaptability to customer needs at new Service Centre locations. In this way the Program has seen a greater focus on the **Support expansion of services** benefit outlined above.

- *What impact did the Program have on ensuring citizens have access to conveniently located Service Centres?*

The new Service Centres ensured greater access to government services in high growth areas and increased the number of citizens with convenient access to Service Centres. All new Service Centres improved the metropolitan percentage of customers located within 5kms of a Service Centre.

While it can be generally expected that these new Service Centres would necessarily improve citizen access to services to some degree, by positioning these Service Centres in metropolitan high growth areas, particularly Edmondson Park and Merrylands, these Service Centres act to future proof the network in preparation for forecast population growth.<sup>25</sup> Similarly, the North Sydney Service Centre ensures customers in high-commuter areas or Central Business Districts are supported as well.

### **7.1.2 Was the site selection appropriate for the Program to achieve its benefits?**

As captured in the stakeholder interviews (Section 6.3.1), procurement of appropriate sites for the new Service Centres is often difficult, particularly given changing design requirements, limited tenancy availability, short Program timelines, and difficult commercial conditions. Site selection is further compounded in this Program by pre-determined suburb locations, which the Project team sought to rigidly adhere to. With these complexities, there is a risk that the eventual site location for the Service Centre does not support sufficient customer flow to the new Service Centre to alleviate capacity at surrounding Service Centres.

However, overall, the site selection for the new Service Centres was appropriate for the Program to achieve Program benefits. It has been noted in the report that the Service Centres have generally provided relief to their surrounding Service Centres and there is further evidence of this in the Attribute of Success measures in Section 4, both from a counter demand and a Driver Testing demand perspective. Further, these new Service Centres tend to service their main customer base in similar proportions to the metropolitan network standard, indicating that customers are not deterred from attending the closer new Service Centre. These results indicate that the site locations for the new Service Centres are satisfactory in ensuring convenient customer access.

However, while this is generally the case for the new Service Centres, these measures do highlight certain new Service Centres where site selection may be impeding service levels. The sub-questions explore these conclusions in detail:

- *How appropriate was site selection in relation to the Program objective of relieving capacity at Service Centre counters?*

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<sup>25</sup> Note 2021 population forecasts from the NSW Department of Planning and Environment, <https://www.planning.nsw.gov.au/research-and-demography/population-projections#:~:text=We%20prepare%20population%20projections%20for,to%203.7%20million%20in%202041.>

The new Service Centres were strategically positioned to alleviate demand pressures in some of the metropolitan network's largest and busiest Service Centres. Only the North Sydney Service Centre has not returned a positive improvement in its surrounding Service Centres. The geographical constraints on the North Sydney Service Centre in alleviating demand at the Wynyard Service Centre are evident. A contributing factor may be the proximity of the North Sydney site to the nearest train station, which is a greater distance than is the case for the neighbouring Wynyard Service Centre and its nearest train station, thereby potentially deterring commuter traffic. However, the North Sydney Service Centre site location was chosen with proximity to the Victoria Cross Metro station in mind, which at the time of reporting is incomplete. With the Metro station in operation it is likely to improve commuter access, although not necessarily the new Service Centres ability to alleviate the Wynyard Service Centre.

- *How appropriate was site selection in relation to the Program objective of relieving capacity for Driver Testing at existing Service Centres?*

Likewise, the new Service Centres were strategically positioned to alleviate Driver Testing demand pressures in some of the metropolitan network's largest and busiest Service Centres. The Edmondson Park Service Centre is the only new Service Centre that hasn't returned a positive improvement in its surrounding Service Centres. While this new Service Centre did relieve capacity in the Macarthur Service Centre, it was unable to meaningfully support the Liverpool Service Centre by alleviating demand. Geographically, the suburb location of the Edmondson Park Centre is convenient for customers in growth suburbs to its immediate south and west. However, it is apparent that the populous suburbs to the north and east of the Edmondson Park Service Centre continue to visit the Liverpool Service Centre.

- *How appropriate was site selection in relation to the Program objective of providing greater access to government services?*

Generally, site selection for the new Service Centres has not hindered the Program objective of providing greater access to government services.

However, results from the quantitative data metric (Attribute of Success 10 in Section 4.3.1) suggest the Roselands Service Centre does not seem to be attracting the high customer share from its most active postcode that is consistent with other metropolitan Service Centres. This indicates customers to this new Service Centre do not behave in a similar manner to the metropolitan average and may suggest that some customers still feel the neighbouring Bankstown Service Centre is a more conveniently accessible site.

There was little evidence from the qualitative surveys (Attribute of Success 11 in Section 4.3.2) that customers found the new Service Centres, the Roselands Service Centre included, to be inconvenient to access. From the intercept survey, 96% of customers surveyed as they exited the new Service Centres claimed they

are likely to revisit that Service Centre. Overwhelmingly across the intercept and online survey results, proximity of a Service Centre, whether new or existing, to a customer's place of residence is the single most important factor in deciding which Service Centre to visit (75% and 73% of respondents respectively).

Conclusively, the feedback from the intercept surveys for the Revesby, Edmondson Park and Merrylands Service Centres suggests that some customers feel these new Service Centres are more convenient than the pre-existing, surrounding Service Centres.

### **7.1.3 Was the Service Centre digital-first design appropriate for the Program to achieve its benefits?**

Overall, the design of the new Service Centres did appear to contribute to the Program achieving the initially-stated Program benefits. Customers are directed to in-store digital options which likely increases digital awareness, staff are engaged in their surroundings, and wait times are not compromised by the increased use of in-store digital spaces. However, it is apparent that the new Service Centres do not have the digital focus of the Woy Woy Service Centre (which acted as a 'blueprint' for a digital-first store) and may have opted to prioritise supporting the future expansion of services over digital uptake by increasing counter capacity. The sub-questions explore these conclusions in detail:

- *How effectively does the Program target a digital-first approach?*

The Attributes of Success indicate that customers are being directed to digital options in the new Service Centres, increasing digital awareness. All new Service Centres, other than the North Sydney Service Centre, display kiosk-to-counter transaction ratios above the mean and generally in the top 10 performing metropolitan Service Centres for that metric.

Notable for this measure is that the Woy Woy Service Centre has, by far, the highest kiosk-to-counter transactions ratio across the network (50%).

- *Is the digital-first design consistent with the objective of improved customer experience?*

Overall, there is an indication that customers, rather than being deterred from attending the new cashless Service Centres, are inclined to engage with the new design attributes. Similarly, it appears that staff at these new Service Centres believe their work environment supports them in providing good customer service.

Further to this, it is already evident that the new Service Centres have alleviated demand pressures on their surrounding Service Centres (see Attribute of Success 8 in section 4.1.1.). This outcome indicates that customers are attending the new Service Centres in sufficient numbers to significantly reduce wait times in existing, surrounding Service Centres, further supporting the finding that the design of the new Service Centres is not impeding customer service.

Overwhelmingly, the customer intercept survey indicates customers can easily navigate the new Service Centres (98%) with 75% of all surveyed customers indicating the digital design necessarily enhanced their experience. The results suggests that customers appreciated that the overall design was modern and that it minimised wait times, however, with no indication that customers necessarily appreciated the greater digital focus of the design.

These results are confirmed in the online survey, which indicated customer satisfaction with the look and layout of the Service Centre was statistically higher among customers who attended a new Service Centre (97%) than an existing Service Centre (87%). Again, the main reasons cited for this satisfaction were 'easy and open layout' and 'easy to navigate' (accounting for 42% of total responses).

- *In the digital-first design, was the counter to self-service floor space ratio optimal?*

From this measure there is no indication that the new Service Centre design, which prioritises digital spaces, is at the expense of customer service. For four of the six new Service Centres, customer wait times are considerably lower than the average for other metropolitan Service Centres of a similar physical size. The remaining two Service Centres are commensurate with the average.

The customer intercept survey results showed that most respondents (95%) expressed satisfaction with wait times at the counters. The results suggest that, overall, there are sufficient counters to support customer demand, and the counter-to-self-service floor space ratio is appropriate in the new Service Centres.

However, it is unclear whether digital spaces are prioritised in the design of these new Service Centres. In reviewing the self-service device-to-counter ratios across the metropolitan network it is evident that a number of the new Service Centres have ratios aligned to the metropolitan standard and no new Service Centre has a ratio higher than the Woy Woy Service Centre.

Furthermore, it is apparent from the data metric and the intercept survey results in Section 5.3 that some of the new Service Centres may be physically sized for future rather than existing demand, notably, the North Sydney, Edmondson Park, and Engadine Service Centres. This physical sizing for expansion is in line with the Program's objectives, where a clearly outlined benefit is to 'Support expansion of services'. Over the short term, this is likely to have a positive impact on wait times as more counters are in operation. However, it does not prioritise the digital-first design elements of the Program.

#### **7.1.4 Did the Service Centre delivery process contribute to success?**

Overall, engagement processes and governance arrangements were in place, adhered to, and contributed to success. Governance structures for decision-making were sufficient to deliver the new Service Centres and the Program's partner engagement was timely and of suitable quality. The sub-questions explore these conclusions in detail:

- *How effective was the stakeholder engagement across the Program?*

The level and methods of stakeholder engagement have been consistent and effective throughout the duration of the Program. Governance arrangements and processes did evolve over time, there were a small number of communication breakdowns, such as an inadequate handover from the outgoing Program Manager, and uncertainty from some stakeholders around formal governance processes or additional approval pathways resulting from multiple leadership changes. However, all stakeholders agreed that this did not negatively impact the delivery of the Program. The ability of the Project team to adapt to unforeseen impacts, such as COVID and other market factors, and to changes in expectation of decision makers, such as Service Centre design, was seen as an asset to the success of the Program.

At Program initiation, the Project team were required to rapidly transition from their responsibilities rolling out Service Centres as part of the RMS-to-Service NSW brand conversion. As a result, the Program had an abridged Program initiation phase with minimal time given to Program planning documents, such as, the Program Management Plan. With these formalised artefacts in place as part of a thorough initiation phase, it is likely the concerns stakeholders raised with roles and responsibilities, design principles, and benefits realisation may have been addressed.

- *Were decision-making governance arrangements conducive to success?*

The decision-making governance arrangements employed throughout the Program were conducive to its success. Effective stakeholder communication, consistent decision-making processes, and the ability to manage rapid decision-making played vital roles in the successful delivery of the Program. While changes to the Program scope occurred over time, governance arrangements enabled the Program to adapt to evolving business and customer needs. Notwithstanding this, decision-making and approval pathways could have been more transparent, particularly when rapid decision making is required.

Further, the Program determined a Benefits Realisation Framework to be superfluous for the Program to meet objectives which contributed to uncertainty of scope. There appeared to be a culture of continuous improvement and adaptability across the program delivery, as noted in the stakeholder interviews with the improved engagement with DCS ICT, and regular post-implementation reviews after each Service Centre Go Live. A more formal 'lessons learnt' focus, resources permitting, at other key phases of the Program, such as, end of design or mid-way through the Program, may have supported the Project team to communicate concerns about decision making, design requirements, and staffing expectations with each new Service Centre delivered.



- *How effective was the Program in engaging services from internal/external providers (including scheduling and overseeing delivery)?*

Stakeholders were satisfied with the overall delivery and the effectiveness of vendor engagement. Collaboration and communication were deemed timely and informative between the Project team and internal and external providers. The Program was delivered in a timely manner and to a high build quality, even considering challenges with stakeholder availability and unforeseen circumstances (e.g., COVID-19 impacts and inflationary pressures). Although the original budget was exceeded due to these unforeseen factors, many controls were employed to prevent an even higher budget overspend, including the Project team negotiating significant lessor cash contributions.

The primary factor in the new Service Centres running over budget appears to be increases to counter numbers and therefore tenancy sizes of the new sites. Budget expectations for each new Service Centre are derived using pre-determined, staffing capacity-based estimates of counter numbers. These mid-flight adjustments to counter numbers occurred at four of the six new Service Centres, in each case resulting in an overspend.

## 7.2 Recommendations

A total of seven recommendations were identified across three areas. Implementation of these recommendations will contribute to the future success of the NMSC Program and other similar construction programs across Service NSW.

Table 4. Recommendations

Area	Recommendation
Program design	<ol style="list-style-type: none"> <li data-bbox="571 622 1430 1032">1. For future Service Centre design, construction, and delivery Programs, program planning is to occur as early as possible, and an approved Program Plan and Program Management Plan should be created at initiation. While Program benefits are outlined for the Program there is little detail on how the benefits are to be achieved. A clearly defined plan including stakeholder engagement requirements would have been beneficial in understanding digital design expectations, staff recruitment and training needs, and ICT support requirements.</li> <li data-bbox="571 1059 1430 1323">2. A Benefits Realisation Framework should be created that aligns with the Program benefits. Benefits realisation would assist the Program in quantifying the expected outcomes of delivery. The Program under evaluation has a strong construction focus, yet the outlined benefits of the Program clearly extend beyond the construction of the new Service Centres.</li> </ol>

Area	Recommendation
Program implementation	<ol style="list-style-type: none"> <li data-bbox="571 331 1433 689">3. Introduce a design sub-committee for design-related decisions. This would ensure design decisions align to Program objectives, formalise the review of design inputs (such as staffing capacity estimates) and remove the perception of ad-hoc design decision making. This committee should be equipped with sufficient technical understanding of the Program to provide detailed guidance in the planning stage to minimise variations to the Program that result in budget overspend.</li> <li data-bbox="571 719 1433 1126">4. Future Programs should undertake 'lessons learnt' activities at each key phase of the Program (including, end of design). A 'lessons learnt' retrospective at each key phase of the Program may have more formally raised the need to re-visit decision making processes, particularly in relation to Service Centre design, and ratify changes to scope. These activities would support the Program's already rigorous continuous improvement focus and the post implementation review / lessons learnt exercises completed after Service Centre opening.</li> </ol>

Area	Recommendation
Voice of the customer	<ol style="list-style-type: none"> <li data-bbox="571 331 1426 600">5. To accommodate the adaptive approach to Service Centre design, future Programs should incorporate a greater focus on the purpose and intent of Service Centre design decisions. A clear purpose for the new Service Centre would provide an indication of its size and provide a basis for understanding the customer benefits expected and expectations on staff.</li> <li data-bbox="571 629 1426 1173">6. Customer feedback should support the formulation of purpose and intent in the Service Centre design process. Customer survey results in the evaluation have highlighted that customers value modern and spacious designs, clear signage, and minimal wait times, while largely preferring to transact at Service Centres nearest to their place of residence. Further, there appears to be a reluctance in customers taking up digital options away from Service Centres. These are factors important to determining the appropriateness of the digital-first design, the effectiveness of self-serve areas and, more broadly, Service NSW's strategy in transitioning customers away from Service Centres where digital alternatives exist.</li> <li data-bbox="571 1202 1426 1509">7. Overall, Service Centre design principles should balance customer needs with other key design factors, such as Service NSW's strategic objectives (including budgetary constraints and digital uptake expectations) and operational requirements (based on new service offerings, demographics and staff training needs) and should keep as a core priority the safety of Service NSW staff and customers.</li> </ol>

## Appendix 1. Document Review

Program planning and Program governance documents reviewed in the course of undertaking the evaluation include:

- New Metropolitan Service Centres Steering Committee Packs, 19 September 2019 to 12 December 2022 (29 documents)
- New Metropolitan Service Centres Steering Committee Minutes, 19 September 2019 to 12 December 2022 (29 documents)
- Service Centre Deployment PCG Meeting Minutes, 11 September 2019 to 21 October 2020 (43 documents)
- SNSW Program One Pagers, February 2020 to January 2022 (23 documents)
- Media releases – NSW to turbocharge customer services Feb 2020
- Project Management Plan New Metro Service Centres
- Ten New Service Centre’s. Terms of Reference, Steering Committee and Working Group
- Gate 3 Review Report, Pre-execution. New Metropolitan Service Centres
- Service Centre Deployment Program Schedule
- New Service Centre Master Deployment Guide
- Service NSW Digital Lite, Design Guidelines
- SC Physical Design Principles December 2019
- Centres - Business & Design - Rules, Principles & Requirements
- Engadine Service Centre drawings
- Revesby Service Centre drawings Service NSW
- Woy Woy Design and Photos
- New Metro Service Centres Budget Forecast (Program finances – CAPEX NSC20 28-04-23)
- Program Risk Registers (Altus and various spreadsheets):
  - Project Risk Register - Service NSW Centre.xlsx
  - Risk Management Register\_Edmondson Park.xls
  - Appendix 3 - Risk-Management-Plan\_Merrylands\_Final.xlsx
  - Appendix 4 - Risk Management Register\_Merrylands\_Final.xlsx
  - Appendix 3 - Risk-Management-Plan\_North Sydney\_Final.xlsx
  - Appendix 4 - Risk Management Register\_North Sydney\_Final.xlsx
- Program issues Registers and Plans (Altus and various spreadsheets):
  - MERRYLANDS Issues Register - Operational Readiness Dashboard - Copy.xlsx
  - DFSI\_Project\_Issue\_Register - 18012022.xlsx
  - Issue\_List 19-01-2022.xls
  - Issue\_List.xls

- Program Lessons Learnt Registers (various spreadsheets)
  - Lesson Learnt DRAFT V6 211124.xlsx
  - Lesson Learnt DRAFT V4 211102.xlsx
  - Lesson Learnt DRAFT V5 211110.xlsx
  - Lessons Learnt Register - 2021.xlsx
  - New Metro Service Centres - Lessons Learned Register.xlsx
- Post Implementation Reviews (various spreadsheets):
  - Business requirements PIR checklist - Edmondson Park.docx
  - Business requirements PIR checklist - Edmondson Park1.docx
  - PIR Edmondson Park.xlsx
  - Business requirements PIR checklist - Edmondson Park.docx
  - PIR checklist Edmondson Park Rev1.docx
  - Revesby and Engadine PIR.xlsx
  - Business requirements PIR checklist - Merrylands.docx
  - Merrylands SC - PIRLessons Learnt\_2022-07-04.docx
  - PIR checklist Merrylands Rev1.docx
  - North Sydney PIR checklist - Rev1.docx
  - North Sydney SC - PIRLessons Learnt\_2022-08-01.docx
  - Roselands PIR.xlsx
  - PIR DCS IT New Service Centre Meeting Minutes 04-03-22
  - PIR DCS IT New Service Centre Meeting Minutes 11-03-22
  - PIR DCS IT New Service Centre Meeting Minutes 18-03-22
  - PIR DCS IT New Service Centre Meeting Minutes 22-02-22
  - PIR DCS IT New Service Centre Meeting Minutes 24-02-22
  - PIR DCS IT New Service Centre Meeting Minutes 28-03-22
- Approval emails and instruction to documents (213 documents)

## Appendix 2. Stakeholder interview schedule

Table 5. Stakeholder interview schedule

Stakeholder	Engagement activity	Engagement timing
<b>Executive Director, Service Delivery</b>	Interview	Mar-2023
<b>Director Service Centres Metro</b>	Interview	Mar-2023
<b>Director, Channel Planning and Release Management</b>	Interview	Mar-2023
<b>Director, Program Delivery and Change, SNSW</b>	Interview	Mar-2023
<b>Program Manager, NMSC Program</b>	Interview	Mar-2023
<b>Director, DCS Finance Service NSW</b>	Interview	Mar-2023
<b>Director DCS CIO Engagement</b>	Interview	Mar-2023
<b>Director Business Operations (Ongoing facilities management and security)</b>	Interview	Mar-2023
<b>Service Centre Managers (6 new service Centres)</b>	Survey	Mar-2023
<b>Regional Managers (4 metro areas)</b>	Survey	Mar-2023
<b>Driver Training - Operations Business Manager</b>	Survey	Mar-2023
<b>Senior Advisor Protective Security</b>	Survey	Mar-2023
<b>Operations Business Manager</b>	Survey	Mar-2023
<b>People and Culture - Recruitment Manager</b>	Survey	Mar-2023
<b>People and Culture - Training Manager</b>	Survey	Mar-2023
<b>Senior Media Advisor</b>	Survey	Mar-2023
<b>Asset management and IT network representatives (Information Technology – DCS)</b>	Survey	Mar-2023
<b>Project Manager</b>	Survey	Mar-2023

Stakeholder	Engagement activity	Engagement timing
<b>Regional, Delivery &amp; Safety IT (Corporate Services)</b> <i>(Transport for NSW)</i>		
<b>Partnerships Manager, Partnerships and Performance</b> <i>(Transport for NSW)</i>	Survey	Mar-2023



## Appendix 3. Stakeholder Interview questions

### Welcome

Thank you for participating in the New Metro Service Centres Program Internal Stakeholder survey. By participating in this survey, you will be providing feedback on the stakeholder engagement processes and governance arrangements that were in place during the roll out of **six new Service Centres, including Edmondson Park SC, Engadine SC, Merrylands SC, North Sydney SC, Revesby SC, and Roselands SC**. Your input is valuable to us as it will help guide the future rollout of new Service Centres across NSW.

The survey should take approximately 30 minutes for you to self-complete. If you have any questions about the survey, please contact Sui Li, Manager Strategy and Business Optimisation at [sui.li@service.nsw.gov.au](mailto:sui.li@service.nsw.gov.au).

**Note:** You can exit the survey at any point and resume where you left off upon reopening the survey. Please answer all questions on a page before continuing to the next page of the survey as some sections will not let you go back.

### Privacy

The feedback you provide in this survey will only be used for the purposes of conducting this evaluation and the raw data will only be directly accessible by the Working Group conducting this evaluation. To ensure as many functional perspectives are captured in this survey, the responses you provide will be associated with the business function you represent and if relevant, the role you performed during your involvement with the launch of the first six new Service Centres.

If you would like to provide feedback that is anonymous in the evaluation, please directly contact Sui Li, Manager Strategy and Business Optimisation at [sui.li@service.nsw.gov.au](mailto:sui.li@service.nsw.gov.au).

- Names:
- Position:
- Roles/Team– (Steering Committee with voting rights, Steering Committee without voting rights, Project team, Finance/Procurement team, Business Operations):
- Their involvement in the 10 New Service Centre Program (inputs such as site location, design, design modifications etc.):

### Stakeholder engagement

#### Ask All

1. As a key stakeholder for the New Metro Service Centre Program, what were the ways in which you received information and updates about this program?
2. [Was this method]/ [Were these methods] effective in assisting you in performing the role you held within the program?
  - a. Why
  - b. Why not?
3. Were you made aware of risks/issues throughout your engagement with the program?
  - a. Were these risks/issues communicated to you in a timely manner? If not, why not?

4. Was the purpose of the Steer Co. and the roles of its members clear? If not, why not?
5. What improvements can be made to the stakeholder engagement process?

**Decision making:**

**Ask only Steering Committee voting members**

6. Did you feel sufficiently informed to make decisions required from you? Why/why not?
7. How effective were the Steering Committee meetings in elevating key considerations for decisions and in assisting the Steering Committee at arriving at decisions?
8. Was the monthly cadence of Steering Committee meetings appropriate for decision-making? If not, did it create any challenges?
9. Were there forums other than the Steering Committee meetings in which program decisions were made? If yes, what were these forums?
  - a. Were the forums for decision-making consistent throughout your engagement with the program?
    - i. If no, how did they evolve over time and what was the impact of this change on the overall outcome of the project/program?
10. Did situations arise that required rapid operational decisions?
  - a. What were the situations?
  - b. Were they escalated to the Steering Committee?
  - c. Was this supportive of the overall outcome of the program?
11. Overall, were the processes for decision-making conducive to meeting the program outcomes? Please explain why.
12. Has the brief for the program remained consistent over time? If not,
  - a. How has the brief evolved over time?
  - b. Was this conducive to positive outcomes to the project/program?
13. On a scale of 1-5, 1 being not satisfied and 5 being very satisfied, how satisfied are you with the capabilities and quality demonstrated by the vendors engaged in this program?
  - a. Why did you provide this rating?

**Ask all except Steering Committee voting members**

14. Did you provide any inputs to decision-making? If yes.
  - a. What were these inputs and how did they contribute to decision-making?
  - b. Were inputs requirement/decision-making criteria consistent throughout your engagement with the program?
    - i. If no, how did it evolve and what was the impact of this change to the overall outcome of the project/program?
    - ii. Were the processes in relation to providing inputs to decision-making, conducive to meeting the project/program outcomes? Please explain why
15. Were the decisions well documented and communicated effectively to all stakeholders?
  - a. If yes, how? If no, why not?

**Project delivery:**

**Ask Project team**

16. Were we able to meet our delivery timelines?
17. If not, what negatively impacted on the delivery timelines?
18. What controls were generally put in place to support the scheduled delivery of services?

19. How effective were these controls?
20. How can the controls be improved?
21. Has the brief for the program remained consistent over time? If not,
  - a. How has this evolved?
  - b. Was this conducive to positive outcomes to the project/program?
22. On a scale of 1-5, 1 being not satisfied and 5 being very satisfied, how satisfied are you with the level of engagement you had from Steer Co. to deliver this program?
  - a. Why did you provide this rating?
23. On a scale of 1-5, 1 being not satisfied and 5 being very satisfied, how satisfied are you with the level of engagement you had with key stakeholders to deliver this program?
  - a. Why did you provide this rating?

### **Ask Finance/Procurement team**

24. Were the Service Centres launched to-date in this program delivered within budget?
  - a. If not, why not?
25. What controls were generally put in place to assist in delivering the project within budget?
  - a. How effective were these controls?
  - b. How can the controls be improved?
26. What further measures were taken to maximise value for money procurement? (e.g. pre-purchasing bulk orders could assist with achieving the same thing at a cheaper cost - pre-planning of procurement could have assisted with this.)
  - a. Were these measures effective?
    - i. Why
    - ii. Why not?
  - b. How can these measures be improved?

### **Ask Business Operations**

27. Were you involved in decision-making for this project/program?
  - a. If yes, did you feel sufficiently informed to make decisions required from you?
    - i. Why
    - ii. Why not?
28. On a scale of 1-5, 1 being not satisfied and 5 being very satisfied, how satisfied are you with the capabilities and quality demonstrated by the vendors engaged in this program?
  - a. Why did you provide this rating?

### **Outcomes**

#### **Ask All**

29. On a scale of 1-5, 1 being not satisfied and 5 being very satisfied, how satisfied are you with the outcomes of the program to-date?
  - a. Why did you provide this rating?
30. Have the outcomes from the program improved over time?
  - a. Why
  - b. Why not?
31. What could we have done better?

# Appendix 4. Intercept Survey questions

## SURVEY INTRODUCTION

Thank you for taking part in this research. This survey should take approximately 10 minutes to complete.

The purpose of this survey is to evaluate accessibility of Service Centre locations and ease of navigation of the Service Centre interior design.

Please note that all your responses are anonymous and results will only be reported at aggregate level.

If you have any questions about this survey, please contact Woolcott Research on (02) 9261 5221 (during office hours) or at [marketresearch@woolcott.com.au](mailto:marketresearch@woolcott.com.au)

## DEMOGRAPHICS QUESTIONS

1. RECORD LOCATION:

North Sydney		1
Merrylands	2	
Roselands	3	
Engadine	4	
Edmondson Park	5	
Revesby	6	

2. RECORD AGE:

Under 16	1
16-24	2
25-34	3
35-44	4
45-54	5
55-64	6
65+	7
Prefer not to indicate	8

3. What is the postcode of your home address?  
(ENTER POSTCODE)

4. What is the postcode of your work address? *If they do not have a work address, skip this question*  
(ENTER POSTCODE)

5. RECORD GENDER:

Male	1
Female	2
Non-Binary	3

6. Do you speak a language other than English at home?
- |                      |   |   |
|----------------------|---|---|
| No, English only     |   | 1 |
| Yes (please specify) | 2 |   |

## PURPOSE AND USE OF FACILITIES

7. What is the reason for your visit today? **MR**

Knowledge & Driving Tests  
 Renew my Driving Licence  
 Apply for a Driving Licence  
 Replace my Driving Licence  
 Transfer my Interstate / Internat. Licence  
 Transfer my Registration  
 Apply for Registration  
 Renew my Registration  
 Cancel my Registration  
 NSW Photo Card  
 Working With Children  
 Lodge Medical Records  
 Mobility Parking  
 Hold or Pick-Up Plates  
 Change my Address or Contact Details  
 Other (please specify)

8. Which areas in the Service Centre did you visit today? **MR** *Show map/zones*

Check-in  
 Self-service area  
 Counters (near the Self-Serve area)  
 Counters (at the back of the store)  
 Saving appointment area (Privacy booth)  
 Savings appointment area (Enclosed meeting room)  
 Knowledge test area  
 Other (please specify)

## OVERALL DESIGN

9. How easy was it to find where you needed to go in the Centre?

Very easy	Easy	Neither easy nor difficult	Difficult	Very difficult
1	2	3	4	5

10. Did the overall design of this Service Centre enhance your experience today?

Yes	1
No	2
Don't know	3

11. (IF Q10 CODES 1 OR 2) Why did it/did it not enhance your experience?  
 (OPEN ENDED)

**DEEP DIVE IN DIGIZONE**

ANSWER SECTION IF ANSWERED CODE 2 FOR Q8

12. How easy was it to do what you needed at Service NSW using the technology in this area?

Very easy	Easy	Neither easy nor difficult	Difficult	Very difficult
1	2	3	4	5

13. Did you need additional assistance in using the technology?

Yes, a lot of assistance	1
Yes, some assistance	2
No assistance was needed	3

ASK Q14 AND 15 IF CODE 1 OR 2 IN Q13

14. How easy was it to get the assistance you needed while in this area?

Very easy	Easy	Neither easy nor difficult	Difficult	Very difficult
1	2	3	4	5

15. After visiting the digital area today, would you consider completing your transaction online for Service NSW services next time (i.e. not visit a Service Centre)?

Yes	1
No	2
Not sure	3

16. (IF CODES 2 OR 3 FOR Q15) Why not?  
(OPEN ENDED)

17. Overall, how satisfied were you with the design of this area?

Very satisfied	Satisfied	Neither satisfied nor dissatisfied	Dissatisfied	Very dissatisfied
1	2	3	4	5

17a. IF CODES 4 or 5 in Q17, ASK: Why are you dissatisfied with the design in the self-serve area?  
(OPEN ENDED)

**DEEP DIVE IN COUNTER ZONE**

ANSWER SECTION IF ANSWERED CODE 3 FOR Q8

18. How long do you expect to wait to be served at the counter?

Under 2 minutes		1
2-5		2
6-10	3	
11-15	4	
16-30	5	
More than 30	6	

19. How long did you wait to be served at the counter?

Under 2 minutes		1
2-5		2
6-10	3	
11-15	4	
16-30	5	
More than 30	6	

20. Overall, how satisfied were you with how long you waited to be served?

Very satisfied	Satisfied	Neither satisfied nor dissatisfied	Dissatisfied	Very dissatisfied
1	2	3	4	5

### OVERALL IMPROVEMENT

21. If there is one thing you can improve about this Service Centre, what would it be? (OPEN ENDED)

22. The next time you need to visit a Service Centre, how likely would you be to visit this particular Service Centre?

Very likely	Likely	Somewhat likely	Unlikely	Very unlikely	Don't know
1	2	3	4	5	6

23. (IF CODES 1-3 FOR Q22) Why would you be (ANSWER TO Q22) to visit this particular Service Centre next time? **MR**

Close to where I live	1
Close to where I work	2
Easier to find parking	3
Easier for me to get to	4
I like the look and feel	5
I am familiar with this Service Centre	6
Close to other shops or services I need to visit	7
Other (please specify)	8

23b. (IF CODES 4-5 FOR Q22) Why would you be (ANSWER TO Q22) to visit this particular Service Centre next time? **MR**

Far from where I live	1	
Far from where I work	2	
Harder to find parking		3
Harder for me to get to		4
I do not like the look and feel		5
I am unfamiliar with this Service Centre		6
Far from other shops or services I need to visit		7
Other (please specify)		8

#### 24. INTERVIEWER RECORD:

Which language was this survey conducted in?

English	1	
Mandarin		2
Cantonese		3
Nepali	4	
Arabic	5	
Greek	6	
Punjabi	7	
Vietnamese	8	

Thank you for your time.



## Appendix 5. Online Survey questions

### 10 New SCs Evaluation Questionnaire (Online)

Estimated length of interview: 5 minutes

Target sample: Surrounding postcodes of six new Service Centre sites

**Opening:** A Service NSW Service Centre is where you can get assistance for NSW Government services. Would you have reason to visit a Service NSW Service Centre in the future?

Yes	1
No	2

#### TERMINATE

1. When was the last time you visited a Service NSW Service Centre?

Single response

1. In the last month
2. Last 3 months
3. Last 6 months
4. Last 12 months
5. Last 2 years
6. Last 3 years
7. Longer than 3 years ago
8. Have never visited a Service NSW Service Centre

If visited in the last 3 years 1-6 in Q1, else skip to Q6

2. Which Service Centre did you visit most recently? (Single Choice)

Full list of Sydney Metro SC

Other (please specify)

Click here to find your nearest Service Centre: <https://www.service.nsw.gov.au/service-centre>

3. Why did you visit this Service Centre? (Multiple Choice)

Multiples allowed

1. Close to where I live
2. Close to where I work
3. Easier to find parking
4. Easier for me to get to

5. I like the look and feel
  6. I am familiar with this Service Centre
  7. I find it's quicker to get things done at this location
  8. Close to other shops or services I need to visit
  9. Other (please specify)
- 
4. Did you like the look and layout of this Service Centre?
    1. Yes
    2. No
    3. Can't remember

If yes/no 1 or 2 in Q4, else skip to Q6

5. Why/why not?

[Open ended responses]

6. Which location would you visit the next time you need to attend a Service NSW Service Centre? (Single Choice)

Full list of Sydney Metro SC

Other (please specify)

I have no reason to visit a Service Centre [Thank and close]

Click here to find your nearest Service Centre: <https://www.service.nsw.gov.au/service-centre>

7. And why would you visit [pipe location from Q6] Service Centre the next time you need to attend a Service NSW Service Centre? (Multiple Choice)

1. Close to where I live
2. Close to where I work
3. Easier to find parking
4. Easier for me to get to
5. I like the look and feel
6. I am familiar with this Service Centre
7. I find it's quicker to get things done at this location
8. Close to other shops or services I need to visit
9. Other (please specify)

8. By distance, which Service Centre location is closest to where you live? (Single Choice)

8. Full list of Sydney Metro SC

Other (please specify)

Click here to find your nearest Service Centre: <https://www.service.nsw.gov.au/service-centre>

9. And is this Service Centre location the most convenient for you to get to?

Yes	1
No	2

10. IF NO AT Q9 ASK: Which one would be the most convenient for you to get to? (Single Choice)

Full list of Sydney metro SC

1

Other (please specify)

2

Click here to find your nearest Service Centre: <https://www.service.nsw.gov.au/service-centre>

#### DEMOGRAPHIC QUESTIONS

11. Residential postcode
12. Work postcode
13. Gender
14. Age
15. Main language spoken at home
16. Occupation

# Appendix 6. Detailed Evaluation methodology

## Methodology Overview

The proposed evaluation is a combined process and outcome evaluation. As noted within the overall goals of the evaluation, most of the assessment will focus on the ability of the Program's internal processes to produce the targeted digitisation, accessibility, and network optimisation outcomes for customers. The evaluation is designed such that each Key Evaluation Question is further expanded into a series of sub-questions, with each sub-question measured against either quantitative or qualitative measures referred to as 'Attributes of Success'. It is the performance of the Program against these 'Attributes of Success' that determines the overall ability of the Program to satisfactorily answer the Key Evaluation Questions.

The evaluation relies on a mix of qualitative and quantitative analysis methods across existing enterprise data and newly-collected primary data, driven by the following collection methods and sources:

- **The Service Centres' Customer Flow Management (CFM) system**, which tracks all ticketed interactions within Service Centres and their operational performance attributes (such as wait times, handling times, and satisfaction ratings). This data source tends to capture the breadth of general customer experience at Service Centre counters, but risks undercounting transactional activity (for example, a customer may undertake multiple transactions/requests on one ticket) while also failing to account for activity in the self-serve digital kiosk area.
- **Transport for NSW's DRIVES system**, this is Roads and Maritime Services' operating system which, importantly, records transactional data, including, anonymised customer postcode information. This data source (based on filtered, de-identified snapshots of data) is advantageous in that it provides an account of de-identified customer transactional activity for a service line that constitutes approximately 80% of Service Centre business. However, it provides no detail around customer experience – wait times, satisfaction, handling time, etc.
- **Service NSW's enterprise Salesforce data**, which captures some de-identified, summary-level transactional activity at the self-serve digital kiosks in Service Centres.

While this data source does not capture all activity done in the self-serve zone, it allows the evaluation team to track interaction volumes for the top six DRIVES transactions completed at kiosks, thereby allowing the evaluation to estimate site-level kiosk usage proportions (in relation to counter usage for the same top six transactions).

- **Online customer questionnaires and in-person intercept surveys** were also deployed, with the assistance of a third-party vendor, to customers visiting the New Service Centres and to customers identified to be living in the areas surrounding the New Service Centres (such that both attending and non-attending customers are captured). This data, de-identified when provided to the evaluation team, provided quantitative and qualitative data for analysis. Survey methods were as follows:
  - Six catchment areas consisting of 65 postcodes that surround the new Service Centres were targeted for a short online survey. A total of 576 responses were obtained, reflecting a 10% margin of error with 95% confidence interval for each of the six catchment areas at the total response level.<sup>26</sup>
  - At the new Service Centres themselves, 754 responses were collected through in-person customer intercept surveys, with a sampling size that reflects a 10% margin of error with 95% confidence interval within each Service Centre.<sup>27</sup>
  - See Appendix 4 for intercept survey questions and 5 for the online survey questionnaire.
  
- **Internal questionnaires and interviews** of key Program stakeholders were also used to provide insight around Program processes. While these did not have extensive margin of error and sampling requirements, these instruments were crucial in providing the evaluation with direct feedback and sentiment from internal staff. Where possible, interviews were conducted with long-tenured, available members (current and former) of the Program Steering Committee. Where these Steering Committee members elected, and for all other Program stakeholders, an online questionnaire was provided with a mix of closed- and open-ended questions. Stakeholder interviews and surveys were conducted as follows:
  - Detailed feedback was sourced from 27 respondents who are, or who had been substantially involved in the Program (8 interviews, 19 surveys received)

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<sup>26</sup> The potential sample error for responses to sub-questions (not asked of all respondents) may differ due to the lower and varying number of respondents captured in the online survey.

<sup>27</sup> The potential sample error for each evaluation Attribute of Success may differ due to varying number of respondents across the Attributes of Success. North Sydney received 107 responses, Merrylands received 137 responses, Roselands received 149 responses, Engadine received 103 responses, Edmondson Park received 133 responses, and Revesby received 125 responses.

- See Appendix 2 for further detail on respondents and Appendix 3 for stakeholder interview and survey questions.
- **Internal Program management documents** in the form of Word, Excel, PowerPoint, PDF, and image files were also provided to the evaluation team for manual review:
  - 124 documents relating to Program meeting minutes and accompanying materials
  - 45 Program planning specific documents, including, Project Plan, Terms of Reference, Program finance, Service Centre design, Deployment schedule, Deployment guide, Program reviews, Post implementation reviews, Lessons learnt registers, and Risk and Issue registers.
  - 213 Program approvals and Instructions to Proceed
  - 1 Media release

## Quantitative Analysis Methods

Where possible, quantitative data has been analysed from internal operational performance data systems, stakeholder questionnaires, and customer questionnaires. The following approaches to the quantitative data were explored:

### General assessment of average and aggregate values

As a base approach, collected quantitative data was analysed with a view of ascertaining average levels of change, performance, or sentiment, across areas of analytical interest. This allowed the evaluation team to arrive at intuitive, time-effective conclusions for most evaluation sub-questions, particularly where detailed statistical analyses would not be feasible.

For instance, through this method the evaluation assessed:

- The average change in network wait times between the pre-release and post-release periods for each new Service Centre in scope
- The average level of customer satisfaction with the new, digital-first design, as obtained via online questionnaire data
- The change in average estimated travel time to a customer's nearest Service Centre, assessed after the launch of each new Service Centre

## **Difference-in-difference analysis**

Where time series data is used (for example, assessing monthly wait time levels over time), the evaluation has used statistical testing in the form of difference-in-difference analyses to assess the impact of a particular event (the launch of a new Service Centre) on the time series of data in question.

In summary, the difference-in-difference method involves assessing the before-and-after performance of a control group (in this instance, the general metropolitan network trend in Service Centre performance) with the before-and-after performance of the treatment group of interest (in this instance, the Service Centres surrounding a new Service Centre).

This allows for an assessment of change that accounts for broader trends in the data that might have been occurring independent of the release of a new Service Centre. For instance, it would allow for the evaluation to assess if the new Revesby Service Centre reduced wait times for its surrounding Service Centres, while also discounting the impact of general wait time reductions seen across the broader metropolitan network.

This difference-in-difference approach was applied to a number of evaluation sub-questions to help validate the findings made using simple assessments of average change, particularly where the data required a time series analysis over multiple months of data.

## **Qualitative Analysis Methods**

Where the collected data are unable to be assessed quantitatively, standard qualitative approaches have been taken to source and interpret information:

### **Document reviews**

The Program gave the evaluation team full access to the internal SharePoint repository that stored all documents related to the Program, including meeting minutes, budget planners and trackers, decision records, and actual expense invoices/receipts. From this, the evaluation was able to construct and interrogate an illustration of the entire Program, based on its written documentation. In particular, the evaluation was able to focus on a collection of all monthly Program Steering Committee minutes to track discussions and decision across the lifetime of the Program.

Additionally, the Program provided the evaluation team with access to internal project management software, wherein additional risk, budget, and timeline documents were stored, feeding into Department-wide reporting mechanisms.

While some findings were able to be drawn from the document review alone, the review was also central to contextualising and cross-validating insights that were discovered in stakeholder surveys and interviews.

## Interview and open-response analysis

Complementing the document review, the evaluation team also conducted manual, qualitative assessments of responses to interview questions and open-response questions within questionnaires. Often the responses contained direct insights that could be directly referred to in responses to the evaluation questions, however in some instances the evaluation team coded segments of the responses to track common themes across the stakeholder pool.

## Methodologies for Attributes of Success across each KEQ

Each KEQ is explored in detail through sub-questions, which are answered through the analysis of data across a range of performance metrics. These performance metrics constitute the Attributes of Success underpinning the evaluation's answer to each sub-question.

Each Attribute of Success is analysed in line with applicable methods outlined in sections 2.3.1 and 2.3.2, with bespoke analysis for specific circumstances included to offer a broader contextual understanding of the performance of the new Service Centres (for example, the evaluation conducts a special analysis in connection to the unique customer catchment area of the North Sydney Service Centre).

These Attributes of Success are summarised in Table 2 below.

Table 6 Attributes of Success for Key Evaluation Sub-Questions

Evaluation Sub-Question	Attribute of Success ID	Attribute of Success
1.1	1	<b>Wait times at surrounding Service Centres:</b> Wait times at the sites surrounding a new Service Centre are measured pre- and post-launch, relative to the metropolitan baseline, in order to assess if the new Service Centre has alleviated wait times at its neighbours.
1.1	2	<b>Wait times for the entire metropolitan network:</b> Wait times across the entire metropolitan network are measured pre- and post-launch, controlling for any underlying trends in demand, to assess if the new Service Centre has improved wait times across the network.
1.1	3	<b>Customer satisfaction at new Service Centres:</b> Customer satisfaction scores (an average out of 5) are measured at the new Service Centres and compared against the metropolitan average to determine if the new Service Centres are adequately satisfying customers.
1.1	4	<b>Customer satisfaction at surrounding Service Centres:</b> Customer satisfaction scores are measured at the sites surrounding a new Service Centre to verify if customers have been appreciative of the improved service levels at the original Service Centre.



Evaluation Sub-Question	Attribute of Success ID	Attribute of Success
1.2	5	<b>Proportion of digital-offered transactions completed over-the-counter:</b> Transactional data at the new Service Centres is used to assess the proportion of digitally-offered transactions completed over-the-counter against the metropolitan average, to assess if the new Service Centres are processing primarily face-to-face only transactions (as the new Service Centres are intended to redirect customers towards digital self-service).
1.2	6	<b>Higher proportion of online, digital transactions:</b> Online transactional data at the main postcode of each new Service Centre is measured pre- and post-launch to assess if the launch of the new Service Centre has prompted more digital online service in the site's main postcode.
1.3	7	<b>Proportion of customers living within 5km of a Service Centre:</b> Using a combination of ABS population data at its most granular level and the geographical locations of each new Service Centre, the proportion of NSW's metropolitan population living within 5km of their nearest Service Centre is measured after each new site release.
2.1	8	<b>Counter demand at surrounding Service Centres:</b> The volume/counts of customers at the sites surrounding a new Service Centre are measured pre- and post-launch, relative to the metropolitan baseline, in order to assess if the new Service Centre has drawn demand away from existing Service Centres.
2.2	9	<b>Driver testing demand at surrounding Service Centres:</b> The volume/counts of Driver Testing customers at the sites surrounding a new Service Centre are measured pre- and post-launch, relative to the metropolitan baseline, in order to assess if the new Service Centre has drawn demand away from existing Service Centres.
2.3	10	<b>Proportion of a Service Centre's main postcode choosing to transact there:</b> Transactional data is used to determine the proportion of a new Service Centre's main postcode that is transacting at that new site, compared against the patterns of all other metropolitan Service Centres, to assess how well each new Service Centre is covering its local community.
2.3	11	<b>Customer feedback around convenience of access:</b> Customer questionnaires (online and in-person at the new Service Centre) are used to assess if customers explicitly determine the new Service Centre to be convenient for them to access.

Evaluation Sub-Question	Attribute of Success ID	Attribute of Success
3.1	12	<b>Self-service kiosk usage proportions:</b> Customer volumes at self-service kiosks (tracked against only the most popular 5-6 services) in new Service Centres are compared to the counter volumes for these same services to measure the proportion of kiosk usage at each site. This is then compared against the metropolitan average to assess how well each new Service Centre is directing its customers to self-service kiosks.
3.2	13	<b>Proportions of payment transactions:</b> The volume of payment transactions completed in the new Service Centres, compared to total transactions completed, is compared to the metropolitan average to assess if the cashless design of the new Service Centres have deterred customers from making payments.
3.2	14	<b>Customer feedback around ease of navigation in the new design:</b> Customer questionnaires (online and in-person at the new Service Centre) are used to assess if customers find the digital-first design of the new Service Centre easy to navigate.
3.2	15	<b>Staff sentiment around the benefits of the new design:</b> People Matter Employee Survey responses are used to assess if staff working at the new Service Centres find that they are able to contribute to good customer service, compared to the metropolitan average response.
3.3	16	<b>Impacts of a greater proportion of floor space dedicated to self-service kiosks:</b> Wait times for the new Service Centres are compared to wait times at other metropolitan Service Centres of similar physical size and layout to assess if the new design may be responsible for any adverse impacts to customer wait times.
3.3	17	<b>Customer feedback around counter support:</b> Customer questionnaires (online and in-person at the new Service Centre) are used to assess if customers find the new Service Centres still have sufficient counters available to support them.
4.1	18	<b>Internal stakeholder engagement, governance arrangements and processes:</b> Stakeholder interviews, surveys, and document reviews are undertaken to determine if stakeholder practices contributed to positive Program outcomes.
4.2	19	<b>Internal decision-making processes:</b> Stakeholder interviews, surveys, and document reviews are undertaken to determine if decision-making processes contributed to positive Program outcomes.
4.3	20	<b>Engagement of external vendor services:</b> Stakeholder interviews, surveys, and document reviews are undertaken to determine if the engagement of external vendor services contributed to positive Program outcomes.

## Confidence in the findings and limitations

The evaluation methods were implemented largely as intended. Overall, the evaluation team is confident that the data collected, when considered as an ensemble, provides a sound basis for the evaluation to draw conclusions about the project.

In particular, regarding customer surveys and questionnaires, the evaluation team has endeavoured to reach a sampling rate and breadth to produce a 10% margin of error across a diverse demographic with a 95% confidence interval, which provides good indications of the reliability of the evaluation's customer-related findings.

However, due to the limited granularity of some quantitative data sources, the impact of COVID lockdowns on the data, and general impracticalities in deriving cause-and-effect from natural, fluid data, two major constraints have been identified below and subsequently managed.

### Determining pre- and post-release time windows

Most evaluation sub-questions required the analysis of data before the launch of the new Service Centre, compared to equivalent measures after the launch of the new Service Centre. In a base case, this was done by selecting a three-month window prior to the site's launch and comparing the data in question to another three-month window after the site's launch. These reporting periods are in Table 3 below.

Table 7 Pre- and post-release reporting windows

<b>New Service Centres List</b>	<b>Prior to Launch period</b>	<b>Post Launch period</b>
<b>Revesby</b>	2020 Jan-Mar	2021 Jan-Mar
<b>Engadine</b>	2020 Jan-Mar	2021 Jan-Mar
<b>Roselands</b>	2020 Oct-Nov	2021 Mar-May
<b>Edmondson Park</b>	2021 Nov-Jan	2022 Jun-Aug
<b>Merrylands</b>	2022 Jan-Mar	2022 Oct-Dec
<b>North Sydney</b>	2022 Jan-Mar	2022 Oct-Dec

These windows were manually selected to manage several influences on the data within the windows, particularly:

- The avoidance of non-seasonal outlying trends within the data, such as the impact of lockdowns, and
- The impacts on each data window of other new site launches (for instance, potential overlap in metropolitan network impacts given the relatively similar timeframes in which Revesby and Engadine Service Centres were launched).

This limited, narrowed approach to setting the time windows for analysis permitted a targeted, point-in-time evaluation of the operational performance data in question. While using larger time windows would have been a benefit in terms of increasing the robustness of observed trends in the data (for instance, using a longer post-release time window would allow for more data capture, and hence a more accurate understanding of the long-term impacts of a new site), the staggered, relatively rapid releases of each new Service Centre meant that it was difficult to completely isolate the impacts of one site launch from other site launches.

For example, while it may be useful to use an entire year's worth of data after the Edmondson Park launch to assess the long-term impact of the Edmondson Park site, that time series would be contaminated by network impacts related to the launches of the Merrylands and North Sydney Service Centres. Accordingly, it becomes difficult to isolate moments in time where the network is impacted only by the site release in question, which has resulted in the evaluation focusing primarily on tailored, point-in-time assessments.

Regardless, as a complementary methodology, each applicable time series analysis within the suite of evaluation questions was also subject to a difference-in-difference analysis that assessed the state of the time series' data before and after the launch date of the site in question. This alleviated some of the risks stated above, mainly around assessing the true long-term, or mature states of the performance data. However, since the difference-in-difference method relies on long-run assessments of time series data to control for change, this method would still be adversely impacted by non-seasonal shifts in the data (such as the COVID lockdowns mentioned above).

### **Determining the 'surrounding sites' for new Service Centres**

Most evaluation sub-questions also required determinations to be made of the nearby sites that were to benefit from the additional capacity created by establishing a new Service Centre. Given the nature of the metropolitan transport network, it was difficult to determine these surrounding sites by means of strict, travel distance-based business rules. Further, the initial Program documents did not indicate specifically which Service Centres were to be targeted for 'network stress' (defined by this evaluation in terms of customer volumes and wait times) reduction by the launch of a particular new Service Centre.

Conversely, actual data could have been used to determine the existing sites that the new Service Centres have impacted the most. However, conducting the analysis solely based on actual data (which can be used to identify 'surrounding' sites) would have biased the evaluation's findings as it would assess only the actuality of what happened in isolation from what the initial intent may have been, or what pure distance-based criteria may have determined to be a new Service Centre's immediate neighbours.

In order to mitigate analytical risks surrounding any assumptions regarding network cannibalisation (the shift of customers from one site to another nearby site in the network),

and in order to provide useful network insights to senior decision-makers within the business, a dual approach has been taken.

Firstly, the evaluation attempts to analyse what the initial, network-based intent for cannibalisation may have been by assessing the new Service Centres' impact on their nearest neighbours with substantial overlap in catchment area. Catchment areas were calculated based on direct distances from points on the map to their nearest Service Centre (a 'Voronoi Cell' calculation<sup>28</sup>). From these results, manual determinations were then made to exclude any outliers from the analysis (e.g., due to the location of Engadine, the Voronoi analysis will estimate that some catchment areas of Macarthur have been cannibalised to Engadine, despite a large national park and military base standing in the way). The result of this first layer of cannibalisation analytics is a list of sites nearby to the new Service Centres, based purely on distance.

Secondly, to test the initial assumptions about cannibalisation and site proximity, historical DRIVES data has been used to assess the actual situation after the launch of the NMSC sites under evaluation. Interaction-level data, labelled with unique, de-identified customer IDs, have been used to determine approximate customer journeys for RMS customers, thereby allowing the evaluation team to identify both the new Service Centre last transacted at, and the pre-existing, non-NMSC Program Service Centres that customers transacted at previously. These data are then aggregated to the new Service Centre site level to assess the most common five pre-existing Service Centres that have contributed to the cannibalised population for each new n Service Centre. The result of this second layer of cannibalisation analytics is a list of sites nearby to the new Service Centres based on actual customer behaviour.

Where evaluation questions and sub-questions required an assessment of the impacts on surrounding sites, the analyses have been conducted twice – once for each of the two methods outlined above. However, in visualising the data throughout the report in summary tables, the DRIVES method outlined above has been the main reference point.

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<sup>28</sup> The technical definition of a Voronoi Cell is a spatial area wherein all points lying within that area are closer to the centre-point of that Voronoi Cell than they are to any other Voronoi Cell centre-point in the network.

