

NATIONAL HEAVY VEHICLE REGULATOR

ANNUAL REPORT
2018-19



ABOUT THIS REPORT

This Annual Report describes the corporate performance of the National Heavy Vehicle Regulator (NHVR) during the 2018-19 financial year. It has been prepared in accordance with the *Heavy Vehicle National Law 2012* (Qld) (HVNL) and other relevant legislation.

The report outlines our operational performance against the objectives and National Performance Measures set out in the *NHVR Corporate Plan 2018-2021*. It also includes our:

- other significant achievements during the year
- financial results
- corporate governance performance.

This key accountability document fulfils our statutory reporting obligations to responsible Ministers, as outlined in Appendix A on page 63. It also aims to meet the information needs of all our other stakeholders, who include but are not limited to:

- the heavy vehicle road transport industry
- industry associations
- state and territory transport authorities
- local governments and local government associations
- non-government road managers, such as ports and airports
- police agencies
- our current and prospective employees and contractors.

For ease of reference, we have included an alphabetical index and list of abbreviations on pages 69 and 70 respectively.

This report, past reports, the *NHVR Corporate Plan 2018-2021* and other corporate publications can be accessed on our website at www.nhvr.gov.au/publications.

For more information, please contact the NHVR via:

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Interpreter service statement

We are committed to providing accessible services to people from all culturally and linguistically diverse backgrounds. If you have difficulty understanding the report, please contact us and we will arrange an interpreter to communicate it to you.

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LETTER OF TRANSMITTAL



18 September 2019

The Hon Michael McCormack MP
Deputy Prime Minister
Minister for Infrastructure, Transport and Regional Development
PO Box 6022
Parliament House
CANBERRA ACT 2600

Dear Minister

I am pleased to present to you the Annual Report for the National Heavy Vehicle Regulator (NHVR) for the reporting year 1 July 2018 to 30 June 2019.

The report has been prepared in accordance with the requirements of the *Heavy Vehicle National Law Act 2012* (Qld). It demonstrates how the NHVR has driven sustainable improvements to safety, productivity and efficiency across the Australian heavy vehicle road transport sector in line with the commitments made in the NHVR's *Corporate Plan 2018–2021*.

Performance against the National Performance Measures contained in the corporate plan, and the performance data presented in Appendices B and C of the report, have been subject to an independent ASAE 3000 assurance review conducted by O'Connor Marsden.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Duncan Gay', is written over a light blue horizontal line.

The Hon Duncan Gay
Chairman

OVERVIEW

"I have found that the willingness to engage with our common challenges starts with heavy vehicle drivers and operators, and extends to industry groups, government agencies and the NHVR's employees."



MESSAGE FROM THE CHAIRMAN

Since joining the NHVR Board in 2018, I have been impressed with the heavy vehicle industry's willingness to come together to tackle the major regulatory challenges facing our industry.

I accepted the role of Chairman because I know the NHVR can continue to have an influential role in an environment where the industry and governments work collaboratively to deliver solid outcomes.

I have found that the willingness to engage with our common challenges starts with heavy vehicle drivers and operators, and extends to industry groups, government agencies and the NHVR's employees.

Our Annual Report records a year of both innovation and consolidation for the NHVR.

The reform of safety duties under the Chain of Responsibility (CoR) laws, which started in October 2018, was part of a significant cultural shift delivering better safety outcomes across the industry and the broader supply chain.

The reforms to CoR laws are also supported by the continued rollout of better Safety Management Systems (SMS) and the Registered Industry Codes of Practice.

Even as this reform was being delivered, the heavy vehicle industry was advocating for future reform, which we support and in which we aim to be a leader.

Almost 10 years have passed since the HVNL was first drafted, and it is over five years since the NHVR was established. The reforms introduced in the HVNL delivered many improvements, as did the introduction of wider safety duties in this reporting period. But we recognise our responsibility to help policy decision-makers understand the potential for further improvement as part of the next round of changes to the HVNL.

We all have a responsibility to get this right.

As I have travelled throughout Australia talking with operators from many backgrounds and businesses, I have learned how open they are to regulatory reform. They tell me that they want flexibility to better manage fatigue and further steps taken to streamline the heavy vehicle access permit system. They want us to remove barriers and provide incentives for technologies that enable them to improve their operations' safety and increase productivity.

I thank our employees for their willingness to engage constructively in this process and accept how well-designed change can help the heavy vehicle industry to operate more safely and productively.

I am pleased to report a number of significant achievements for heavy vehicle safety and productivity in 2018-19.

There is an increasing number of operators who are prepared to invest in safer systems through the National Heavy Vehicle Accreditation Scheme (NHVAS) or through newer, safer vehicles through the Performance Based Standards (PBS) scheme.

Our regulatory intelligence capability is now underpinned by consolidated national data and information previously only available through state and territory agencies.

Our on-road presence has also grown, with the transition of services in Tasmania and, from 1 July 2019, the ACT, in addition to those that we are already providing in South Australia.

Importantly, we have continued to work constructively with our colleagues in other enforcement agencies and the police services around the nation to move towards a consistent national approach that delivers certainty for operators and drivers.

Operator and road manager access to permits and travel information is more readily available through the NHVR Portal, which is now into its third year.

These and many other achievements are highlighted throughout this report and reinforce the NHVR's position as a modern regulator with a strong customer focus.

At the same time, I must recognise that the heavy vehicle industry continues to suffer from many serious safety incidents. We are determined to do all we can, with the help of all stakeholders, to work towards eliminating the tragic number of

serious crashes that result in fatalities and serious injuries. Although there has been a reduction over time, in 2018-19, there were 162 fatal crashes that involved trucks. Nothing we do is more important than helping the heavy vehicle industry to reach the safest possible levels of performance.

Finally, I acknowledge our employees and my Board colleagues, who work tirelessly with the best intentions for heavy vehicle industry safety and productivity. I would particularly like to thank outgoing Chairman Bruce Baird and Director Vincent Tremaine, who retired from the NHVR Board in October 2018. Their leadership and guidance over the previous six years has been invaluable.

I would like to also acknowledge the work and commitment of our CEO Sal Petrocchio, who has worked tirelessly to ensure the reform agenda being undertaken by the NHVR remains focused and on track. With three new members bringing a wealth of experience and fresh perspectives, the NHVR Executive Leadership Team (ELT) continues to fulfil the requirements of the Board to the highest standard.

I also acknowledge the passion and commitment of all industry representatives to achieving world-class performance in the heavy vehicle road transport task.

I underscore our commitment, as the national regulator, to continue to perform our functions and to engage constructively with the industry. A positive and collaborative approach will continue to provide the best solutions to regulatory challenges.



The Hon Duncan Gay
Chairman

"As our industry changes and modernises, so too does the NHVR. This is allowing us to continue to support the growing uptake of new technology being utilised by a significant section of the heavy vehicle industry, and the need for greater focus on data and information to inform our functions."



CEO'S REPORT

Over the past year, we have continued to grow our existing program of work and take up new opportunities to meet our heavy vehicle safety and productivity agenda.

As our industry changes and modernises, so too does the NHVR. This is allowing us to continue to support the growing uptake of new technology being utilised by a significant section of the heavy vehicle industry, and the need for greater focus on data and information to inform our functions.

The work we have undertaken over the past five years, while at times complex, allows us to meet community expectations, along with those of the heavy vehicle industry and governments. However, we accept that there is more to be done.

We fully support the review of the HVNL being undertaken by the National Transport Commission (NTC), and will continue to take a proactive role to ensure our information, systems and advice are available throughout the consultation process.

The following are some of our key achievements in 2018-19:

Safety – Improving public safety by fostering a strong safety culture and safe business practices by the heavy vehicle industry.

- We worked extensively with the heavy vehicle industry and broader supply chain in preparation for the CoR and primary duties reforms that took effect on 1 October 2018.
- We completed the rollout of our SMS guidance materials, and assessed and registered the Master Industry Code of Practice, to ensure fit-for-purpose, user-friendly information was available to assist the industry to comply with the requirements of the CoR reforms.
- We administered almost \$4 million in funding for the Heavy Vehicle Safety Initiative (HVSII) program supported by the Commonwealth Government. Round three provided grants for 17 projects.
- We boosted our investigation and intelligence capability, with the addition of the Heavy Vehicle Confidential Reporting Line (HVCRL), which led to 885 individual reports of potential breaches of the HVNL.

- We undertook a comprehensive review of the existing NHVAS Standards and Rules, consulting broadly with stakeholders over a five-month period.
- We hosted a Fatigue Safety Forum in November 2018, committed \$250,000 to undertake a comprehensive study into fatigue monitoring technology, and began simplifying the NHVAS's Advanced Fatigue Management (AFM) module.
- We continued to reduce the number of Vehicle Standards exemption permits, by delivering more notices under which operators could self-assess and run on standard conditions.

Productivity and Sustainability – Promoting industry productivity that also sustains the environment, road infrastructure and public amenity through efficient and innovative business practices.

- We released the *National Class 2 B-double Notice*, which aligns B-double requirements across states and territories, including general access for 50-tonne, 19-metre vehicles.
- We also released the *National Class 1 Agricultural Vehicle and Combination Notice*, which has removed the need to apply for permits to move many agricultural combinations on public roads and added 310 pre-approved routes as a result.
- We increased the total number of pre-approved routes by 20% to 2,426 and added extra functionality to the mapping system on the NHVR Portal to enable heavy vehicle operators to access these when planning their journey. More than 1,400 pre-approved routes are now displayed on the Portal's Route Planner tool.
- We continued to return permit delegations from state jurisdictions to the NHVR, including all New South Wales Class 3 permits in December 2018 and Class 1 agricultural permits in April 2019.
- We approved 1,720 innovative and optimised vehicle designs for higher-productivity vehicles through new PBS combinations approved.
- We continued to grow the functionality of the NHVR Portal with the addition of the Registration Services module.
- We incorporated the NHVR Route Planner into the NHVR Portal and processed 41,693 single permit applications.

Regulatory Capability – Continuous improvement of our organisational performance to deliver efficient and effective regulatory services for the heavy vehicle industry.

- We successfully transitioned regulatory services in Tasmania from the Department of State Growth to the NHVR on schedule on 2 July 2018.
- We participated in six multi-jurisdictional compliance operations. The largest was Operation Wake-up in April 2019, when 194 safety and compliance personnel intercepted 4,338 vehicles across 105 locations in all states and territories, except the Northern Territory.
- We released our National Compliance and Enforcement Policy, providing guiding principles on how agencies should tackle high-risk behaviours and non-compliance in the heavy vehicle industry.
- We supported primary producers by providing an exemption for heavy vehicles up to 4.6m high and 2.83m wide to facilitate movements to drought-affected regions, and waived the access permit fee for all operators moving equipment, fodder or produce to and from drought-affected properties.

We continue to enjoy effective engagement with our customers and stakeholders, and their input and collaboration are essential to our decision-making. I am particularly pleased at how closely we are starting to work with the Northern Territory and Western Australia towards the common goal of safer roads throughout our nation, despite them not being party to the HVNL.

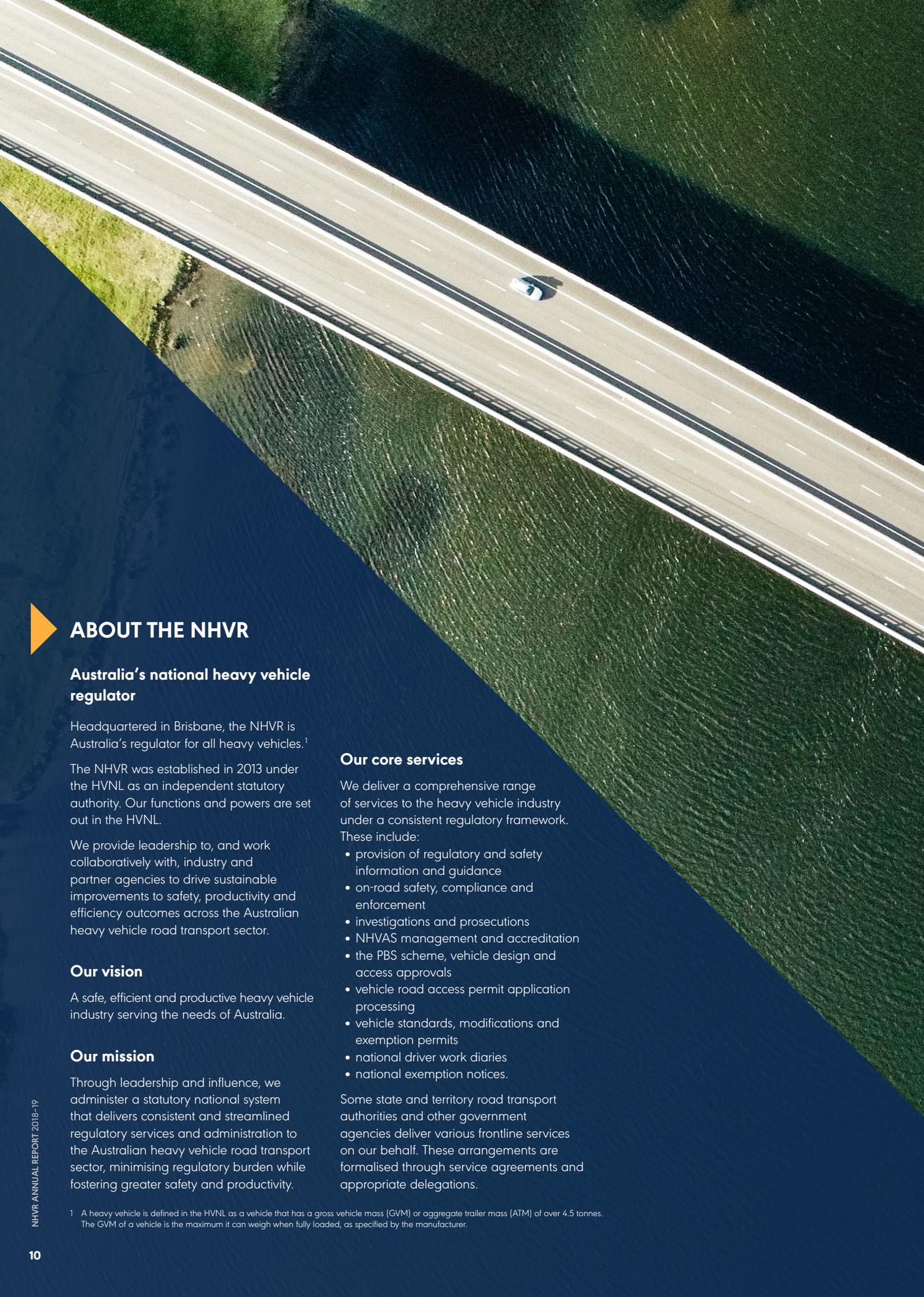
Our relationship with policing authorities also continues to strengthen, enabling us to complement state and territory policing and intelligence to enhance the success of detection and intercept activities.

I thank all our customers and stakeholders for their willingness to work with us to ensure we create the balance between safety, productivity and effective regulation that our industry requires.

Finally, I'd like to acknowledge the hardworking NHVR employees and Board. As our operational capability grows, their commitment and exceptional skills ensure we are able to deliver for our industry, communities and government stakeholders.



Sal Petrocchio
CEO



ABOUT THE NHVR

Australia's national heavy vehicle regulator

Headquartered in Brisbane, the NHVR is Australia's regulator for all heavy vehicles.¹

The NHVR was established in 2013 under the HVNL as an independent statutory authority. Our functions and powers are set out in the HVNL.

We provide leadership to, and work collaboratively with, industry and partner agencies to drive sustainable improvements to safety, productivity and efficiency outcomes across the Australian heavy vehicle road transport sector.

Our vision

A safe, efficient and productive heavy vehicle industry serving the needs of Australia.

Our mission

Through leadership and influence, we administer a statutory national system that delivers consistent and streamlined regulatory services and administration to the Australian heavy vehicle road transport sector, minimising regulatory burden while fostering greater safety and productivity.

Our core services

We deliver a comprehensive range of services to the heavy vehicle industry under a consistent regulatory framework. These include:

- provision of regulatory and safety information and guidance
- on-road safety, compliance and enforcement
- investigations and prosecutions
- NHVAS management and accreditation
- the PBS scheme, vehicle design and access approvals
- vehicle road access permit application processing
- vehicle standards, modifications and exemption permits
- national driver work diaries
- national exemption notices.

Some state and territory road transport authorities and other government agencies deliver various frontline services on our behalf. These arrangements are formalised through service agreements and appropriate delegations.

¹ A heavy vehicle is defined in the HVNL as a vehicle that has a gross vehicle mass (GVM) or aggregate trailer mass (ATM) of over 4.5 tonnes. The GVM of a vehicle is the maximum it can weigh when fully loaded, as specified by the manufacturer.

Australian heavy vehicle road transport industry profile



> 900,000

REGISTERED HEAVY VEHICLES²



50,000

BUSINESSES³



200,000
PEOPLE



> 450
ROAD MANAGERS

OUR VALUES

People matter

- Our employees are our most important asset. We value them and treat them with respect.
- We strive to ensure our employees arrive at work safely and return home safely every day.
- We encourage and assist our employees to grow professionally and personally.
- We recognise each other's efforts and achievements.

We add value

- We align our activities and actions to the NHVR's strategic goals and objectives.
- We focus our efforts on achieving our vision.
- We ask ourselves, "How can I be more efficient and effective?"
- We add value by embracing diversity and innovation.
- At the end of each working day, we feel we have contributed to the NHVR's purpose and goals.

Customer first

- We fulfil our commitments.
- We consistently deliver outstanding service.
- We treat our customers with respect, and listen to their needs and concerns to tailor fit-for-purpose solutions.

Strong partnerships

- We help and support each other to achieve exceptional results.
- We actively promote a positive culture, and address issues openly and constructively without fear of retribution.
- We share our knowledge with our colleagues.
- We are each accountable for our own performance and professionalism.
- To deliver on our promises, we hold each other to account.

² NHVR Portal Registration Services module. Excludes Northern Territory vehicles.

³ The Australian Trucking Association (ATA) and its member associations collectively represent 50,000 businesses and 200,000 people in the Australian trucking industry. Source: ATA website



INPUT TO **HVNL REVIEW**



ADMINISTERED **\$3.9M HVSI PROGRAM**
(17 projects in 2018-19)



6 MULTI-JURISDICTIONAL OPERATIONS
The largest was **OPERATION WAKE-UP**
focused on fatigue



LAUNCHED HVCRL TO REPORT POTENTIAL BREACHES OF THE HVNL
(1432 calls in first year, 885 reports)



2 NATIONAL NOTICES HARMONISED B-DOUBLE ACCESS
across all states and territories
AGRICULTURE VEHICLES
removed the need to apply for permits for agriculture combinations on public roads



RAISED FATIGUE AWARENESS



FATIGUE MONITORING TRIAL
technology to detect fatigue or distraction



FATIGUE FORUM



EDUCATION OF OPERATORS
access more flexible work and rest hours



STRONG GROWTH IN NHVAS SCHEME

4.5%

from previous year (6946 to 7259)



STRONG GROWTH IN PERMITS

26%



LAUNCHED REGISTRATION SERVICES MODULE IN PORTAL

to provide national fleet view for operators



LAUNCHED

WE NEED **SPACE** TO KEEP YOU **SAFE**

NATIONAL SAFETY CAMPAIGN



TASMANIA HEAVY VEHICLE SERVICES TRANSITIONED

PREPARED INDUSTRY FOR CoR AMENDMENTS ON 1 OCTOBER 2018

-  **VIDEOS**
-  **INFO SHEETS**
-  **COR/SMS SESSIONS**
-  **ROADSIDE SESSIONS**
-  **TOOLBOX TALKS**



3,829,261
SOCIAL MEDIA REACH



CALLS TO THE CALL CENTRE

59,897



nhvr.gov.au

1,780,346
WEBSITE HITS

* Figures at 30 June 2019



▶ OUR PERFORMANCE

OUR KEY RESULT AREAS

► Safety

Improving public safety by fostering a strong safety culture and safe business practices by the heavy vehicle industry.

► Productivity and sustainability

Promoting industry productivity that also sustains the environment, road infrastructure and public amenity through efficient and innovative business practices.

► Regulatory capability

Continuous improvement of our organisational performance to deliver efficient and effective regulatory services for the heavy vehicle industry.

CHALLENGES

We will appropriately manage our key strategic challenges and risks, which relate to:

- our ability to influence positive change within the regulatory framework
- maintaining regulatory oversight in a diverse and changing industry
- our ability to influence road managers to prioritise the road network's productive capacity
- positively influencing road managers to grant appropriate network access to higher-productivity vehicles that deliver safety and productivity improvements
- improving coordination and consistency when responding to the demands of the rapidly growing road freight task
- influencing the operating environment, including Australian Design Rules and infrastructure planning, to enhance productivity.

OPPORTUNITIES

We will seek to leverage the following opportunities:

- creating a true, modern, single national heavy vehicle regulator across the country
- making safety the number one priority for all involved in heavy vehicle road transport related activities
- creating consistent and effective safety outcomes through the national coordination of compliance, enforcement and assurance activities
- strengthening relationships with police agencies engaged in heavy vehicle regulatory activities
- embracing innovative technology that will influence vehicle design, compliance and assurance models and tools, and vehicle-to-vehicle and vehicle-to-infrastructure safety
- continuously improving our organisational performance to deliver efficient and effective regulatory services for the heavy vehicle industry
- engaging with stakeholders to create effective partnerships that translate into consistency and transparency for industry
- developing as a progressive regulator that attracts, engages and retains capable, experienced and professional people
- reducing the regulatory burden on industry to improve its efficiency and productivity.



**KEY
RESULT
AREA:**

SAFETY

Continually pursuing effective initiatives that will improve national heavy vehicle road safety outcomes is the number one priority for the road freight sector.

As a modern, risk-based regulator, we are focused on adjusting the traditional prescriptive regulatory approach—which relies heavily on on-road enforcement and sanctions—to place a greater emphasis on the way we work with industry and the broader supply chain to develop their safety capabilities.

We are also continuously improving the way we collect and use intelligence to enable more effective targeting of the highest-risk operations.

Steering industry to safer operations

A primary focus for the NHVR is the development of a regulatory framework that supports the heavy vehicle industry in managing its risks to deliver positive safety outcomes. As part of our approach to regulatory assurance, in late 2017-18 we undertook a survey of heavy vehicle industry participants to determine common approaches and perspectives towards managing heavy vehicle safety, with the report completed in early 2018-19.

The information gathered from the 1,514 responses received, and the subsequent data analysis, provided key insights into the types of systematic safety practices commonly used by heavy vehicle operators and the level of their adoption throughout the industry. Drawing on the information gathered in the survey, we have tailored initiatives over the past year to support industry needs.

For example, our research showed that respondents in smaller businesses with fewer than 10 heavy vehicles were significantly less likely to incorporate safety standards into their work agreements with third parties. To support this, we released a set of guidance material and templates on third-party interactions, safety performance monitoring and developing a positive safety culture.

These SMS resources were developed in consultation with our Safety Industry Operator Group (IOG) with all material available on our website. These templates are scalable for any size business and help operators to meet their safety obligations under both the HVNL and Work Health and Safety laws.

Providing support to meet new CoR requirements

On 1 October 2018, amendments to CoR provisions in the HVNL were implemented, aligning the HVNL more closely with duties under national Work Health and Safety laws, and providing greater clarity on the obligation of each party in the heavy vehicle supply chain to ensure the safety of their transport activities. We continued to work with all stakeholders across the supply chain to raise awareness and help them understand their responsibilities under the new laws, by:

- releasing four educational videos and assorted guidance material covering safety duties, risk management, SMS tools and templates, Codes of Practice and accreditation schemes
- conducting 42 CoR/SMS education sessions, with information also disseminated at roadside sessions and toolbox talks
- promoting the changes through social media and industry publications.

To improve consistency in the application of the HVNL nationally, we held two CoR Investigator Training courses, attended by more than 50 investigators from all participating jurisdictions, as well as Western Australia. We also developed a draft Investigations Manual, which will assist in guiding complex CoR investigations.

Roger Garcia and Emily Griffiths with some of our Safety Management System brochures.

“As most transport operators are small businesses, we needed to ensure we developed easy-to-understand guidance and practical tools that make it quick and easy for a business to set up a basic SMS. The SMS tools developed by the NHVR are simple to use and relevant to our business.”

Julia Collins,
NatRoad and Safety IOG member



Master Code provides user-friendly guide to safety compliance

In November 2018, we registered the Master Industry Code of Practice to assist all supply chain parties to understand their role and responsibilities under the CoR laws. The code presents a risk-based approach to managing safety that translates the requirements of the HVNL into a practical application for the whole industry and suggests controls to manage safety and compliance.

The HVSI-funded code was developed by the Australian Logistics Council (ALC) and Australian Trucking Association (ATA) in consultation with industry, and assessed by the NHVR.

We are now working closely with the Crane Industry Council of Australia (CICA), the Australian Livestock and Rural Transporters Association (ALRTA) and the Australian Forest Contractors Association (AFCA) to develop industry-specific Codes of Practice that will provide more guidance on unique risks in their sectors that are not specifically covered by the Master Code. These codes are also receiving HVSI funding.

Confidential reporting line receives high call volumes

In July 2018, we launched the HVSI-funded HVCRL to provide a secure, national, confidential telephone service for participants in the heavy vehicle industry and supply chain to report operational safety issues relating to heavy vehicle transport activities. Callers can talk directly in confidence to a suitable experienced individual, who can rapidly relay intelligence to our Investigations Unit and relevant jurisdictions.

During its first year of operation, the HVCRL took 1,432 calls, accounting for 885 individual reports. Fatigue, mechanical safety and business practices were the three most commonly reported issues, consistent with the findings of our other compliance-monitoring activities.

Taking the lead on heavy vehicle fire investigations

In early 2019, we commenced an investigation into heavy vehicle fires, focusing on causal or contributing factors to particular fires. As part of the enquiries, we facilitated a Heavy Vehicle Fires Roundtable, which included police and fire services, peak industry bodies, supply chain parties, insurers and forensic fire investigators to discuss potential common causes and mitigation strategies. A Safety Bulletin *Reducing the risk of vehicle fires in the heavy vehicle industry* was subsequently released to alert industry to the issue and suggest preventative actions. Investigations will continue in 2019-20.

New Investigations Unit targets safety risks

The NHVR Investigations Unit was established in December 2018 to monitor, investigate and enforce compliance with the HVNL. We undertake investigations in response to significant risks to public safety and road infrastructure. These risks are identified through a variety of sources, including the NHVR's intelligence function, the HVCRL, assessments of on-road incidents or compliance activities, and referrals from other agencies.

The Investigations Unit has already conducted many joint agency investigations relating to safety duties. As we expand our capability, we will lead investigations into various breaches across the spectrum of duty holders.

Prosecutions role grows with new CoR laws

Our role in prosecutions has increased significantly under the new CoR laws, with a focus on redressing the balance between driver prosecutions and duty holder or other party prosecutions. Our Prosecutions team completed comprehensive professional training and development to prepare for the new offences commencing as part of the primary duties legislation. We also revised our *Prosecution Policy* and *Enforceable Undertaking Policy* and developed the *Proposing an Enforcing Undertaking Guideline* to guide our decision-making.

The team fulfils an essential function, bringing actions surrounding significant breaches under the HVNL. In 2018-19, we concluded 393 prosecutions under the HVNL, including prosecutions in Tasmania and South Australia as part of the transition of services from those states to the NHVR, and HVNL prosecutions on behalf of South Australia Police through a Memorandum of Understanding.



Investigations Officer Alice Cross discusses a case with Senior Safety and Compliance Officer Yolande Gower.



CASE STUDY

Fatigue offender prosecuted

The NHVR commenced an investigation into a trucking company after one of its drivers was involved in a collision.

The investigation found that GPS data in vehicles owned by the company showed that two drivers were committing critical breaches of the HVNL fatigue regulations. The company had failed to access readily available GPS data or cross-check GPS records with drivers' work diaries, which led to a failure to detect these breaches.

The company was subsequently prosecuted for two offences against s.229 of the HVNL, as the offence was prior to the amendments to CoR legislation on 1 October 2018. Section 229 does not require proof that a driver was in fact driving fatigued—rather it is the failure to take reasonable steps to ensure a person does not drive on the road while impaired by fatigue. The company failed to take the reasonable step of cross-checking GPS information with work diaries for the two drivers.

The company pleaded guilty to the offences and was fined \$21,600 plus victims of crime levies and prosecutor's fees.

Focusing on fatigue

Industry data suggests that one in ten heavy vehicle crashes results from heavy vehicle drivers driving while fatigued. In October 2018, we hosted a Fatigue Safety Forum, where a range of key industry and regulatory stakeholders came together to discuss future directions in fatigue safety. Participants identified the key challenges as being the HVNL and its enforcement, inadequacy of road infrastructure, driver preparation and training, and industry safety education.

In response to this feedback, we:

- developed a Fatigue Safety Strategy to promote industry adoption of a strong safety culture and improved fatigue risk management.

Activities included: releasing the *Fatigue Risk Assessment Tool, Examples of Operating Limits and Countermeasures under Advanced Fatigue Management* booklet, and developing *An Introduction to Fatigue Management* booklet.

- initiated a Fatigue Monitoring Trial to gain greater understanding of the characteristics, performance and utilisation of technologies that monitor drivers and detect fatigue and/or distraction, and to determine how best to encourage industry uptake of such technologies. The trial comprises research, field studies and consultation, with the report findings anticipated to be completed by June 2020.

We also provided our expertise on driver fatigue to the NTC and the Queensland Department of Transport and Main Roads on the role of driver distraction in heavy vehicle operations in Australia, and the South Australian Parliamentary Inquiry into Workplace Fatigue and Bullying in South Australian Hospitals and Health Services.

First Electronic Work Diary submissions received

Since the Electronic Work Diary (EWD) Policy Framework, Privacy Policy, Compliance Policy and Technical Standards were released, 58 businesses have registered their interest to receive additional information to consider developing an EWD. We have received three candidate systems, which are being reviewed against the EWD standards.



October 2018 Fatigue Safety Forum participants.

Operators input into NHVAS rules review

Participation in the NHVAS scheme continues to be strong, with a 4.5% increase from 6,946 operators in 2017-18 to 7,259 operators in 2018-19.

During the year, we consulted with industry on the proposed changes to the NHVAS Standards and Rules to align the scheme with the changes to the CoR laws. The five-month feedback period included 22 information sessions, with 21 submissions received from industry groups, government jurisdictions and operators.

The proposed changes included:

- requirement for crash and incident reporting for Notifiable Occurrences
- a register of infringements and defects notices received
- fit and proper person requirements as part of the assessment criteria
- strengthening maintenance to include tow couplings and drawbars.

The Notice of Final Rule Making is currently being developed, based on feedback received.

We also continued to work through the findings of the Australian heavy vehicle safety accreditation schemes¹ review undertaken by independent consultants Fellows Medlock and Associates in late 2017, which incorporated feedback from scheme owners, industry participants, jurisdictions, NTC and other interested parties.

As agreed by the Transport and Infrastructure Senior Officials Committee, the NHVR is:

- convening a joint working group with industry and jurisdictional representatives to consider the review's key outcomes and recommendations
- continuing to lead the development of a new heavy vehicle safety accreditation framework
- working with the NTC and jurisdictions to progress any related changes required as part of the HVNL Review.

Simplifying the Vehicle Standards certification process

In February 2019, we published a new modification code to *Vehicle Standards Bulletin 6 (VSB6): National Code of Practice Heavy Vehicle Modifications*—the national standard for the most common modifications made to heavy vehicles. *Modification Code D3 - Fitting of non-standard rear wheel components* simplifies the certification process by allowing Approved Vehicle Examiners to certify the modification without applying to the NHVR.

The update was developed in response to an increased number of modification applications for the fitting of non-standard rear wheels to heavy vehicles. Since its release, we have seen a 46% reduction in applications, achieving efficiencies for operators.

A further update to VSB6 was the inclusion of the new *Simplified Emissions Test Procedure - Portable Emissions Measurement System*, which offers an alternative, realistic approach that significantly reduces the time and cost associated with this type of testing.

Our work to simplify the certification process during the reporting period has achieved these efficiencies for operators, reducing the amount of paperwork they need to submit to the NHVR:

- 32% reduction in Vehicle Standards exemption permits (from 226 in 2017-18 to 154 in 2018-19), as operators can self-assess under notices and run on standard conditions without needing to apply to the NHVR
- 20% reduction in letters of in-principle support issued (from 293 in 2017-18 to 234 in 2018-19)
- 46% reduction in modification approvals (from 46 in 2017-18 to 25 in 2018-19).

See Table A.9 on page 66 for more performance data.

LOOKING FORWARD

In 2019-20, we plan to:

- encourage industry to adopt risk and safety management systems through continued education
- produce more regulatory guidance materials for CoR parties and other duty holders about factors that may affect the safety of their operations
- continue to work with stakeholders to deliver industry specific codes of practice
- target and reduce high-risk safety behaviours and repeat offending
- work with industry to increase adoption of flexible fatigue management options
- explore opportunities to assist with EWD development activities to deliver a solution to the market
- advocate for increased harmonisation of Australian vehicle standards to allow for the latest designs from origin markets
- provide increased education and advice to industry on purchasing safer heavy vehicles.

¹ NHVAS, TruckSafe and Western Australian Heavy Vehicle Accreditation (WAHVA) schemes.



**KEY
RESULT
AREA:**

PRODUCTIVITY AND SUSTAINABILITY

A productive, safe and sustainable heavy vehicle industry is vital to meet the needs of Australian businesses and communities. In partnership with industry and governments, we are working to continuously improve access and productivity, and remove unnecessary regulatory burden.

Essential to this is that everyone involved in the heavy vehicle road transport task collaborates to find solutions, and embraces and adopts innovative technologies.

Working with road managers to open up access

Our extensive work with local government road managers to streamline processes and improve access to the road network resulted in nine notices, including two national notices, to open up access.

In February 2019, we introduced the *National Class 2 Heavy Vehicle B-double Notice* after an extensive road manager consultation and consent period. The notice aligned B-double requirements across all participating jurisdictions and introduced, among other benefits:

- general access for 50-tonne, 19-metre vehicles
- general access across the ACT
- an increase in mass for general access in South Australia from 42.5 tonnes to 50 tonnes.

It also reduced the number of conditions imposed by jurisdictions, making it easier to transport critical cargo, such as fuel, across borders.

In April 2019, a new *National Class 1 Agricultural Vehicle and Combination Notice* commenced across large parts of regional Australia, removing the requirement to apply for permits to move many agricultural combinations on public roads.

The notice simplifies the movement of large agricultural equipment by providing clearer guidelines for primary producers, and establishing a network of local, state and territory roads that can be used by heavy agricultural vehicles. It has also:

- reduced the number of designated agricultural zones from 16 to five
- increased mass and dimension limits
- introduced standard operating conditions and a consistent set of rules across borders.

In addition, during the year, we renewed and remade over 80 exemption notices carried over from the commencement of the HVNL to ensure no access was lost. We also released over 20 simplified guides clarifying the obligations and requirements of road managers and operators.

Permit processing efficiencies achieved

In 2018–19, we completed a total of 41,960 road access permit applications.¹ This was a 26% increase from the previous year, mainly due to the new national notices providing greater awareness of the requirement for permits and also the Return of Delegations program of work to return the permit function from state and territory jurisdictions to the NHVR.

We are now issuing Class 1, 2 and 3 heavy vehicle access permits for all cross-border movements in participating jurisdictions, as well as for intrastate movements within the ACT, South Australia, Tasmania and Victoria. To support this transition, we have delivered training to customers and road managers around the country.

We are working with transport authorities to allow a seamless transfer of remaining delegated responsibility to us. This includes the return of delegations made by the NHVR for all Class 3 vehicles across all participating jurisdictions, and the return of delegations relating to permits for Class 1 vehicles in New South Wales and Queensland.

We also assisted the Queensland Department of Transport and Main Roads to increase permit durations for Class 1 oversize overmass (OSOM) vehicles from three months to 12 months. It is estimated that this will save industry more than \$1 million in fees by reducing permits by around 13,500 a year.

During the year, we continued to closely monitor road access permit end-to-end processing times:

- The NHVR processing time across all application classes decreased by 34% from an average of 7.11 days in 2017–18 to 4.67 days in 2018–19.
- Road manager consent turnaround times increased slightly, most likely in response to an increase of around 31% in the requests for consent received. Despite this, we saw a slight improvement in overall end-to-end processing time for all types of road access applications² from 18.89 days in 2017–18 to 18.59 days in 2018–19.

We have also worked collaboratively with the Australian Defence Force—our single largest customer—to simplify access to road networks required for operational and training purposes.

Table A.1 on page 64 provides more statistics about overall performance with respect to road access matters.

¹ Single applications from customers.

² Includes NHVR processing time, road manager consent turnaround time and any customer liaison time.



Senior Access Facilitators Natalie Ferraro and William Beaumont.

Expediting road manager consent requests

To help expedite road manager permit consent requests, in April we began transitioning local, state and territory road managers to the standard conditions library on the NHVR Portal. Using a standard set of conditions saves road managers significant time when applying the conditions, as the set can be applied to a decision as a whole. As at the end of June, two-thirds of all road managers were already using the full conditions library.

“The NHVR Customer Portal is an improvement over the earlier systems, reducing the administrative burden of applying for permits. The addition of registrations and, in the near future, accreditations, will further increase the usefulness of the Portal.

As the largest private organisation using the Portal, we look forward to working closely with the NHVR to realise further improvements that will increase productivity and safety.”

Toll Group

We also secured an agreement with the Australian Road Research Board (ARRB) to provide the Restricted Access Vehicle Route Assessment Tool (RAVRAT) free of charge through the NHVR Portal to local governments in participating jurisdictions. RAVRAT provides a consistent assessment tool and methodology for local governments to assess heavy vehicle access requests, with 174 current registered users.

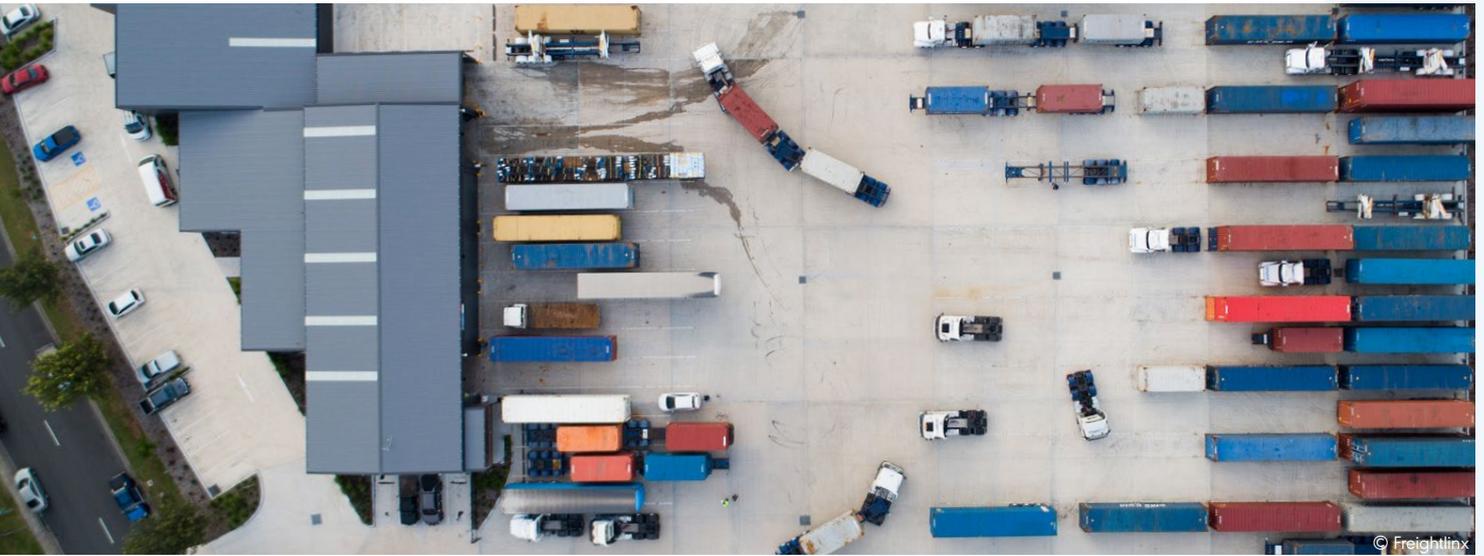
The extensive network of pre-approvals we manage also speeds up the permit approval process, eliminating the need for individual road manager consents for agreed routes. Councils can quickly process low-risk applications and focus their resources on more complex applications. In 2018-19, we increased the number of pre-approved routes from 2,025 to 2,426 (see Table A.2 on page 64). Gazetted heavy vehicle networks increased from 415 to 549 in the same period.

During the year, we enriched the spatial mapping data available in the NHVR Portal to enable us to provide heavy vehicle operators with access to pre-approved routes through the Portal’s Route Planner tool. By 30 June 2019, operators were able to view 1,425 pre-approved routes on Route Planner.

Portal enhancements continue

Since its launch in August 2016, the NHVR Portal has processed over 141,000 permit applications, and now stores over 104,000 registration records and supports more than 21,000 registered users between the Access module and the new Registration module (see page 30).

In 2018-19, we began the process of moving three of our business areas onto the Portal—NHVAS, Vehicle Standards and PBS. By expanding the services available in the NHVR Portal, industry will have a single source of business information—streamlining interactions, linking the NHVR’s services, and providing 24/7 access to data and records.



Planning for a more productive industry

During the year, we embarked on the consultation and drafting process for our first Heavy Vehicle Productivity Plan to help address Australia's growing road freight task and support greater and more certain access for safer and more productive heavy vehicles. The plan will focus on opportunities to deliver immediate improvements to access and productivity before the new HVNL is enacted, and to support access and productivity under a revised HVNL.

We have established an Intergovernmental Working Group comprising transport and freight departments from the Commonwealth and all states and territories (except Northern Territory) and a Local Government Association Working Group including local government associations from all HVNL participating jurisdictions. We have also started meeting with peak national and state industry associations and heavy vehicle operators to discuss the plan. When developed, the draft plan will be released for public consultation.



Emma Higgison and David Carlisle coordinating NHVR's submission to the HVNL review.



CASE STUDY

Australia's first PBS B-quad approved

Equipment manufacturer Southern Cross Trailers launched Australia's first PBS-approved B-quad at our PBS Demo Day in Forbes in August. With a Gross Combination Mass of 103 tonnes under General Mass Limits and 107.5 tonnes under Higher Mass Limits, the B-quad is one of the most productive combinations on Australian roads, offering significant productivity improvements compared to B-doubles, B-triples and Type 1 road trains.

With space for 50 pallets, the B-quad has helped Rocky Lamattina & Sons achieve a 40% increase in productivity when transporting more than 700-800 tonnes of carrots between Victoria and Queensland every week. The Victorian fresh produce business can now manage the same freight task with 60 fewer trips a month, removing 720 truck movements a year.

Higher-productivity vehicle growth continues

In 2018-19, the number of PBS vehicle approval applications we received grew by 22%—increasing from 387 in 2017-18 to 471. We approved 1,720 new PBS combinations, in line with the growth in this sector, bringing the total number of combinations approved since 2007 to 9,024.

The penetration of PBS approved vehicles into the Australian market was again highlighted in the 2019 edition of *Performance Based Standards – Australia's PBS Fleet*—a joint report we published with the Australian Road Transport Suppliers Association (ARTSA) in May.

The report shows that Australia's heavy vehicle operators have increasingly embraced new technologies and designs made possible under the PBS scheme. PBS combinations have now captured around 20% market share of the relevant heavy vehicle market and continue to dominate the four-axle and above dog trailer market, with 80-90% market share in that new vehicle segment.

PBS vehicles have a median age of just under four years, compared with more than 12 years for the heavy vehicle fleet as a whole. This younger PBS fleet has considerable advantages in terms of better safety equipment, reduced environmental impact due to improved technology, and fewer maintenance demands compared with older vehicles. In addition, the major-crash involvement rate of PBS vehicles is 46% lower per kilometre travelled than for comparable freight vehicles.³



PBS team members Brian Chuang, Evan Courtney and Elle Petlivanova.

Advocating for increased access

We continue to work with local governments to create a better understanding of, and increased network access for, higher-productivity PBS vehicles.

In October, we hosted a heavy vehicle access forum for council engineers to help them understand the benefits of PBS vehicles on their road networks. The two-day event included presentations from NHVR and industry experts, a field trip to crane, PBS and OSOM operators, and a PBS Guide for Road Managers to help road managers make informed decisions about granting access.

We also held three PBS demonstration days—in Portland, Victoria, and Forbes and Temora, New South Wales—where local council representatives and operators learned about the technical components of PBS vehicles and watched live demonstrations of the vehicles relevant to their local freight task.

Expanding the PBS pre-advised design process

The pre-advised approval process allows us to assess and approve PBS combinations without submitting the application to the PBS Review Panel. In April 2019, we expanded the pre-advised design list to include B-double combinations up to 30 metres. The process now covers more than

90% of all design approval applications, reducing application processing times from an average of four weeks to just three business days for operators.

During the year, we progressed our review of the PBS scheme based on the recommendations outlined in the NTC's *Performance-Based Standards scheme Policy paper*. We sought industry feedback on independent safety expert Dr John de Pont's *Tyre Management Practice in the Australian PBS System - Discussion Paper*. We also engaged Dr de Pont to review the Directional Stability Under Braking, Pavement Horizontal Loading and Frontal Swing standards to ensure they maximise safety and productivity outcomes for the PBS industry.

The remaining 17 standards will be reviewed in 2019-20.

LOOKING FORWARD

In 2019-20, we plan to:

- transition the NHVAS, PBS and Vehicle Standards services into the NHVR Portal
- continue to upgrade NHVR Portal functionality and deliver new features to support the road transport industry
- release the draft Heavy Vehicle Productivity Plan for public consultation
- continue to review effectiveness of current performance based standards and the PBS scheme efficiency in line with the NTC's PBS scheme marketplace review
- based on the recommendations of the NTC report, continue to work towards updating and publishing the *PBS Network Classification Guidelines*, working with jurisdictions to identify PBS networks for gazettal
- continue to promote the benefits of the PBS scheme to road managers and the heavy vehicle industry to ensure PBS remains a world-leading program for innovation and safety design
- reduce the administrative burden faced by operators when seeking a PBS approval
- provide incentives to industry for adopting safety and environmental technologies.



**KEY
RESULT
AREA:**

REGULATORY CAPABILITY

We are investing in building the capability required for a successful operating and regulatory environment, where actions are consistent, transparent and robust.

Our success will be driven by our people. We are strongly committed to their continual development and ensuring they are supported by a safe and positive organisational culture.

Tasmania services transition to NHVR

On 2 July 2018, we successfully transitioned services in Tasmania and became responsible for delivering services previously provided by the Department of State Growth:

- on-road education, safety and compliance for drivers and operators, including mass, dimension, vehicle standards, load restraints, route compliance and driver fatigue
- investigation and prosecution of heavy vehicle offences.

Our offices in Tasmania are located in Launceston and Burnie.

The National Services Transition (NST) Program was established in February 2016 to facilitate the transition of HVNL regulatory functions and services from participating jurisdictions to the NHVR with the aim of:

- providing a single point of contact and a consistent approach towards heavy vehicle safety and compliance activities
- reducing duplication and minimising the compliance burden on industry, while ensuring that safety, productivity and efficiency outcomes are maintained or enhanced.

South Australia was the first state to commence transition in July 2016, with the final phase of transition of regulatory services due to commence in 2020-21. The ACT will transition its HVNL services on 1 July 2019.

The success of these transition processes has been largely due to our strong partnerships with the Department of Planning, Transport and Infrastructure in South Australia, the Department of State Growth in Tasmania and Access Canberra in ACT.

We continue to work closely with stakeholders in Victoria and New South Wales, with the service transition process well progressed in these jurisdictions. Victoria is scheduled to transition services in late 2019. The remaining transition of services is planned to occur at different stages over the next three years.

National compliance operations target higher-risk behaviours

Our Safety and Compliance Officers in Tasmania and South Australia work closely with police agencies and jurisdictional road transport authorities to conduct intercepts via mobile road patrols and at fixed inspection sites, and provide operators with the information they require to comply with the HVNL.

They also collaborate with jurisdictions on large-scale, inter-agency, cross-border compliance operations. Locations are selected in each participating state or territory based on key freight routes, industries, transport hubs, seasonal factors, injury crash data, and safety hot

spots. Our Intelligence team helps inform these decisions by providing a national intelligence view, allowing the prediction of safety risks and the provision of real-time data to our partner agencies. Operations conducted in 2018-19 are shown in Table 1.

We also published our *National Compliance and Enforcement Policy*, developed in consultation with our partner agencies. The policy outlines the outcomes-focused approach all parties will adopt when planning and undertaking heavy-vehicle-related compliance and enforcement activities. It presents a fairer and more consistent risk-based and intelligence-led approach to enforcement, setting out guiding principles for tackling high-risk behaviours and non-compliance.

In 2019-20, we will implement a national Regulatory Compliance Mobility Solution, providing our Safety and Compliance Officers with access to important information. It will also enable them to record outcomes of intercepts efficiently and consistently through convenient modern hand-held devices connected to our Safety and Compliance Regulatory Platform (SCRIP). These records will be immediately available to our officers in other locations, meaning that, over time, low-risk operators and vehicles will experience fewer and shorter intercepts and a more seamless experience across state and territory boundaries.



Tasmanian Safety and Compliance Officer Andrew Robotham

Table 1 On-road compliance operations held during 2018-19

Date	Operation	Target	Participating jurisdictions	Intercepts	Total units
July 2018	Wake-up	Fatigue	All except NT	5,416	11,334
September 2018	King Size	OSOM	All	1,354	3,286
April 2019	Wake-up	Fatigue	All except NT	4,338	11,931
January 2019	Fido	Truck and dog roadworthiness	QLD	37	74
February 2019	Long Run 1	Cross-border HVNL compliance	SA and WA	178	499
February 2019	Metro Explorer	HVNL and roadworthiness	SA	167	371

Safety and Compliance Regulatory Platform assists us in our safety and compliance task

Our state-of-the-art SCRPs provides the foundation for all NHVR safety and compliance information storage, analytics and reporting functions. Being intelligence focused, it enables us to optimise and target compliance activities nationally. The core information gathered includes data on registrations, crashes, defects, intercepts, infringements and sightings.

An independent review by economists Houston Kemp indicated that the establishment of risk profiles through investment in a system such as the SCRPs will contribute to reducing fatalities, through the ability to more effectively target highest-risk operators and vehicles.

Registration data more accessible

In July 2018, we started receiving registration data into the SCRPs from Austroads' National Exchange of Vehicle and Driver Information System (NEVDIS), allowing us to start assembling a picture of the national fleet.

From 1 October 2018, by logging onto the new Registration Services module on the NHVR Portal, heavy vehicle operators were able to access and download details of their national fleet of registered assets (except those registered in the Northern Territory) at no cost.

A registration-sharing feature was also added to the module, enabling operators to share information in real time, eliminating the back and forth of emails between supply chain entities.

Additionally, the new NHVR Registration Checker app allows the user to check the status of any heavy vehicle registered in Australia (except for vehicles in the Northern Territory that do not have a national heavy vehicle number plate). The app is free to download from Google Play or the App Store.

Safety camera network expands

The HVSI-funded National Safety Camera Network (NSCN) program of work continued, with the installation of automatic number plate recognition cameras in the ACT on the Federal Highway near the New South Wales border.

The NSCN expands the national heavy vehicle monitoring capability, adding cameras to existing networks and improving identification and visibility of heavy vehicle movements across borders.

Cameras have now been installed at 11 priority locations (seven in Victoria, three in Queensland and one in the ACT). This is the first time a national camera network has been able to monitor heavy vehicle movements in a national sense.

Legislative amendment work program

The following amendments to the HVNL and regulations commenced on 1 July 2018:

- increase in two-axle bus mass limit from 16 tonnes to 18 tonnes, provided certain safety features are installed
- vehicle allowed to be carried on the prime mover of a 26-metre B-double
- an increase in accreditation fees, from \$27 to \$32—the first fee increase for five years
- introduction of a \$73 fee for an application for higher mass limits
- other minor and technical amendments reducing administrative burden or clarifying existing requirements.

The following amendments to the HVNL were introduced into Queensland Parliament in the *Heavy Vehicle National Law Amendment Bill 2019*:

- recognition of interstate VSB6 modifications
- removal of the requirement to provide information notices for Vehicle Standard and access permits issued with conditions or for a period less than that sought
- inclusion of the giving of advice, information and education in the NHVR's statutory functions
- provision of a 28-day time limit for requesting a statement of reasons (for a decision made by the NHVR)
- tidy up of the requirements for road manager statement of reasons
- clarification of inconsistencies between self-clearing defect notices and vehicle defect notices.

“Currently subcontractors can print out or email details of their fleet, but having real-time access to fleet registration information allows us to put additional safety systems in place. Having all the information in one place saves time and means operators can give us the assurance that their vehicles are registered.”

Craig Guthrie, National Heavy Vehicle Compliance Manager, Boral

Engaging with our stakeholders

Industry engagement

We maintained a robust program of proactive engagement activities with industry, at an individual, company and association level.

Our Industry Operator Groups (IOG) discuss sector-specific operational issues and are chaired by industry representatives. To help ensure adequate representation on strategic issues faced by various sectors, the chairs of each IOG are also members of the Industry Reference Forum (IRF).

The IRF is our peak industry advisory body, aimed at helping drive the NHVR's long-term strategic agenda for regulatory reform of Australia's heavy vehicle road transport industry. The IRF met three times during the year.

The Agricultural, Crane, OSOM and Livestock Industry IOGs met twice during the year, and the Safety IOG met once.

The NHVR Technical Working Group¹ met in November to discuss a range of matters, including issues relating to drawbars and the review of aged standards.

Working Groups were created in South Australia and Tasmania to support the NST program, comprising a cross-section of industry. Two meetings were held in South Australia and one in Tasmania.

Other key activities for the year included:

- collaboration with jurisdictions to conduct roadside education sessions in New South Wales, Queensland, South Australia and Tasmania
- regular attendance and presentation at industry conferences and forums
- face-to-face CoR and SMS information sessions throughout the country
- face-to-face briefings to national and state- and territory-based associations on the NHVR's program of work
- a series of toolbox meetings to better understand industry issues
- collaboration with industry representatives to inform the design of new services in the NHVR Portal
- a major presence at the Brisbane0 Truck Show.

Road manager engagement

A focus of our engagement activities has involved working closely with road managers, in particular local government, and bringing them together with industry representatives through heavy vehicle access forums.

Through these forums, we have a higher awareness and understanding of councils' requirements as road managers under the HVNL. Our relationship with councils continues to mature, resulting in better collaboration in the management of the road transport freight task. (See page 27 for some of our activities with road managers.)

Intergovernmental relations

We continue to play a key role in contributing to policy development with jurisdictional, industry and government decision-makers, actively proposing policy ideas and briefs, and working collaboratively with stakeholders to provide input to policy positions. We also continued to liaise with state and territory ministerial offices on the progress of the NST Program to ensure positive outcomes.

During the year, we secured \$8 million in federal funding for a Strategic Assessment of Local Government Assets. This will enable the strategic assessment of local government road assets to determine whether a particular asset could be upgraded to increase access for the heavy vehicle industry and any funding requirements.

Assessments will be made along key strategic freight routes, based primarily on the list of non-suitable assets identified by local governments during the transition to the *National Class 1 Agricultural Vehicle and Combination Notice*. Local governments will be able to use our assessments to apply for targeted funding from state, territory or Commonwealth governments.

Our stand at the Brisbane Truck Show was one of the most popular.

¹ Comprises Chief Technical Officers from Heavy Vehicle Australia, Commercial Vehicle Industry Association of Australia, ARTSA, ATA, Truck Industry Council, and representatives from participating jurisdictions, Western Australia's transport authorities and the Commonwealth Government.



Supporting industry safety initiatives

We invest in sponsorship opportunities that align with our values and organisational priorities, strengthen our partnerships with industry and help make our roads safer. In 2018-19, we provided financial support to:

- six regional transport and logistics forums hosted by the Northern Territory Road Transport Association and Western Road Federation addressing mental health education and other issues facing heavy vehicle operators and owners in remote parts of Australia
- the Volvo ATA Safety Truck, which travels Australia-wide visiting career expos, high schools, TAFE colleges, universities, key road safety events and other events to specifically engage 16 to 25-year-old drivers
- the Heavy Vehicle Industry Australia National Apprentice of the Year Award
- the Bus Industry Confederation Australasia Bus Conference *Moving People Century 21*.

Since we started administering the HVSI on behalf of the Commonwealth Government in 2016-17, a total of \$11.61 million has been committed to 35 implementable, value-for-money projects that are delivering tangible improvements to heavy vehicle safety.

During 2018-19, in Round Three of the program, \$3.89 million was allocated to 17 projects selected from 38 applications. Appendix E on page 68 shows the successful Round Three applicants and the status of their projects as at 30 June 2019.

Projects rolled out during the year included the NHVR's *We Need Space to Keep You Safe* campaign, the Master Industry Code of Practice, HVCRL, new safety cameras in the ACT, SmartCap fatigue technology trial at the Port of Brisbane and the National Farmers' Federation's *Common Roads, Common Sense* campaign.

In March 2019, the Commonwealth Government announced a 40% increase in funding for Round Four of the HVSI, committing \$5.42 million in place of the originally allocated \$3.91 million.

Listening to our customers

We value feedback and are committed to responding effectively and efficiently. Complaints are managed in line with our *Customer Complaints Management Policy*, which is published on the Contact Us page of our website, where our Customer Service Charter is also located.

A total of 14 complaints were received in 2018-19, representing a 53% decrease from the previous year. Complaints were resolved within an average of 2.5 days—an 80% improvement on the 2017-18 reporting period. Two-thirds of complaints were about access issues.

These improved results can be attributed to the establishment of a full-time, in-house Call Centre Engagement Officer role, the dedicated Hypercare team for online Portal support and a single point of contact for all operational fatigue enquiries.

Results from the 2019 Stakeholder Survey reinforced the positive customer perceptions of the NHVR, along with greater awareness of our role, increased recognition of the NHVR as the managing authority for the HVNL, and increased belief that the HVNL has improved heavy vehicle safety.

In addition, there has been a consistent upward trend in the use of our website for information, greater use of the NHVR Portal for access permits, and more than two-thirds of road managers consider our website meets their information needs.

Our people

As at 30 June 2019, we employed 353 people² in Queensland, South Australia, Tasmania and Victoria—an increase of 30% since 30 June 2018. This growth reflects the transition of services to the NHVR from the Tasmanian Department of State Growth in July 2018, and the need to support future transitions and our strategic vision. Female representation in our workforce was 40%.

To help our leaders to develop professionally and personally, we launched our Leadership Capability Program for all leaders, 44 of whom also participated in Queensland University of Technology Leadership Challenge workshops. The program will continue in 2019-20.

Hypercare and Customer support team members Devan Morrison, Jason Stewart, Susana Morisaki and Louis Barlow.



² Permanent, maximum-term contract, temporary and non-payroll contractors.

In May, we launched a new learning management system, including a range of e-learning modules, such as compliance training, cyber security and privacy. It also incorporates a library of development-focused e-learning courses.

Building our culture

In response to feedback received through the 2018 Employee Survey, we implemented our Employee Culture Action Plan, focusing on:

- implementation of local area action plans with a focus on improving team-based cultures
- establishing a Rewards and Recognition framework, including annual employee awards
- running workshops on the NHVR values, building resilience, and workplace bullying and harassment awareness.

Prioritising health and safety

Keeping our people safe is of the highest priority for us. During the year, we commissioned a significant review of our Workplace Health and Safety (WHS) Management System and safety culture in light of the current and future jurisdictional transitions of on-road operational staff to the NHVR. This review identified the need for an increase in WHS capability and improvements to the current WHS Management System.

As a result, we have established a new WHS team to focus on systemic and operational improvements and proactive safety risk management to ensure we remain on a continuous WHS enhancement pathway. We have also formed a new Workplace Health and Safety Committee.

Table B.4 on page 66 details our WHS performance for the year. In response to the high level of journey to and from work injuries reported, we will be implementing a targeted safety awareness training initiative in early 2019-20.

CASE STUDY

NHVR flagship safety campaign launched

In June 2019, we launched our flagship road safety campaign We Need Space to Keep You Safe. Featuring Supercars star Garth Tander and Tasmania's top truck driver Kerri Connors, the campaign aims to influence light vehicle drivers to safely share the road with heavy vehicles.

A series of three videos highlights the common mistakes light vehicle drivers make when driving around trucks.

In addition to the videos, the campaign includes a website, animations, posters and fact sheets, which provide tips on avoiding truck blind spots, leaving space for turning trucks and overtaking safely.

The campaign has been positively received by industry and community, with many helping to spread the message through their newsletters and social media.

LOOKING FORWARD

In 2019-20, we plan to:

- transition regulatory services to the NHVR from the ACT and Victoria
- implement the national Regulatory Compliance Mobility Solution
- commission automatic number plate recognition cameras at two sites in Queensland and one in Victoria
- start conducting structural assessments of strategic assets under the Strategic Assessment of Local Government Assets program
- develop a Workforce and Succession Plan to ensure we effectively manage our growth
- continue to deliver on Employee Culture Action Plan initiatives.



Truck driver Kerri Connors, the Hon Jaala Pullford, Supercars driver Garth Tander, NHVR CEO Sal Petrocitto.

PERFORMANCE AGAINST NATIONAL PERFORMANCE MEASURES

We have used the following symbols in the performance tables to illustrate our progress against our initiatives and indicators:

✓ Achieved ⌚ In progress ✗ Not achieved

Performance standard	Annual indicator	Status	Page
Increased proportion of network accessible by restricted access vehicles (including higher-productivity vehicles) by pre-approvals and gazettals	40% increase in pre-approvals annually A total of 2,426 ¹ pre-approvals were in place at 30 June 2019—a 20% increase from 2017-18. Operators are now able to see available pre-approved routes in the Route Planner tool on the NHVR Portal.	✗	9, 24, A.2
	20% increase in updates of gazetted networks annually 134 gazette requests for increased access were received in 2018-19—a 32% increase from 2017-18.	✓	24
	10% national reduction in heavy vehicle permits annually (by NHVR and jurisdictions under delegation) A total of 41,960 single applications from customers were received by the NHVR in 2018-19—a 26% increase from 2017-18.	✗	23, A.1
	Critical network impediments for network areas are identified and progressively eliminated² This reporting has only been in place since January 2019. Between 1 January and 30 June 2019, 45 previously refused consents were granted following liaison between the NHVR and road manager.	✓	-
Valid access permit applications received are processed and road manager consent is sought in a timely and customer-centric manner	90% of road manager requests are progressed within one business day 65% of all road manager consent requests were progressed within one business day. Average processing times were 2.14 days for Class 1 permits, 3.62 days for Class 2 permits and 2.87 days for Class 3 permits.	✗	23, A.1
	100% of road managers are followed up about their consents within seven days A reminder notification is now only sent once a road manager has not responded by the end of their extended consent period. In the interim, we work closely with the road manager to resolve any issues or concerns they may have.	✗	-
Increased number of innovative vehicles in the national fleet	10% increase in PBS combinations approved by the NHVR The number of PBS combinations approved in 2018-19 was consistent with the previous period (1,720 compared with 1,741 in 2017-18; a slight decrease of 1%).	✗	9, 26, A.8

¹ Including 310 pre-approvals as a consequence of the *National Class 1 Agricultural Vehicle and Combination Notice*.

² Consents granted that were previously refused.



Performance standard	Annual indicator	Status	Page
Reduced regulatory burden and cost to industry through the delivery of nationally consistent and streamlined services	<p>Progression of the National Services Transition Project against budget and schedule</p> <p>Services transition in Tasmania was delivered on time and within budget on 2 July 2018. Everything was in place for the successful transition of services in the ACT on time and within budget on 1 July 2019.</p> <p>There was a delay in completion of the due diligence process for the transition of New South Wales services.</p>	🕒	7, 9, 29
	<p>Benchmarking and costing services through the continuation of the Cost Recovery Study Project and the establishment of a service level agreement reporting framework</p> <p>Given the progressive transitioning of remaining jurisdictions, it was decided to:</p> <ul style="list-style-type: none"> roll over existing service level agreements rather than develop a new, short-term reporting framework conduct the next Cost Recovery Study Project in 2019-20. 	n/a	-
Targeted information in relation to safety management systems and standards contribute to a stronger safety culture in the heavy vehicle industry	<p>Establishment of the industry's safety culture baseline through a national survey</p> <p>The survey was conducted in April 2018 and the report received in early 2018-19.</p>	✅	17
	<p>Number of safety educational activities and artefacts developed and released to industry</p> <p>Forty-two NHVR-led CoR/SMS education sessions were held, with information also disseminated at roadside sessions and toolbox talks, and included in keynote addresses. The following publications and campaigns were released:</p> <ul style="list-style-type: none"> four videos and 21 SMS documents, including quick guides, templates and worked examples two safety bulletins <i>Cleaning of heavy vehicles prior to inspection</i> and <i>Reducing the risk of vehicle fires in the heavy vehicle industry</i> <i>AFM - Examples of operating limits and countermeasures under Advanced Fatigue Management</i> and <i>Examples of Operating Limits and Countermeasures under Advanced Fatigue Management</i> booklets four industry-focused campaigns, targeting fatigue, CoR and SMS. 	✅	17
	<p>Positive feedback on safety educational activities and artefacts</p> <p>Participants in the 42 CoR/SMS education sessions who completed the online feedback survey reported an average of 4.2 out of 5 overall satisfaction and 4 out of 5 satisfaction with the resources provided.</p> <p>Appendix D contains positive comments from industry on NHVR safety initiatives.</p>	✅	17, 67



Performance standard	Annual indicator	Status	Page
Stakeholders are able to meaningfully contribute to regulatory outcomes through open consultation and communication channels	80% of industry respondents to customer survey report above average satisfaction Respondents to the 2019 Stakeholder Survey showed 74% overall satisfaction with the NHVR. While this is a slight decline from the 2017 survey result, 92% of respondents recognised the NHVR as the managing authority for the HVNL, 85% had positive impressions and 82% recognised NHVR's role in keeping industry informed.	⊗	32
	Feedback mechanisms are 100% operational There were no outages to our website nor disruptions to our call centre during the reporting period.	⊙	-
	100% of formal actions arising from stakeholder forums are implemented Out of 95 formal actions arising from 16 forums ³ , 56 (or 59%) were implemented by 30 June 2019. The remaining 39 were still being progressed.	⌚	31
All safety standards and assurance activities are underpinned by sound risk and data profiling to ensure approaches are effectively targeted and proportionate to the risk to public safety	100% of safety assurance activities are documented in control documents with risk assessments Safety audits were conducted for NHVR on-road operations in South Australia and Tasmania to verify that effective controls were in place for risks identified through risk assessments.	⊙	-
	Safety metrics developed, monitored and analysed by the NHVR Safety Committee The analysis of heavy vehicle industry safety information is a standing agenda item for the NHVR's Safety Committee. Qualitative and quantitative information is analysed to identify and monitor safety risks, and review the effectiveness of heavy vehicle standards and their administration. During the year, the Committee presented two reports to the NHVR Board that included identification and analysis of safety metrics.	⊙	-
A nationally consistent and streamlined approach to interventions and investigations incorporating national standards and methodologies has been developed and implemented	National assurance activities are defined and documented based on 'best of breed' jurisdictional processes We finalised National Safety and Compliance Work Procedures in consultation with all participating jurisdictions. We developed a draft Investigations Manual to guide investigations, including complex CoR cases, which will be finalised in 2019-20.	⊙	17
	Transitioned assurance activities are aligned to a nationally consistent approach A stocktake of policies and procedures applicable to transitioning services was undertaken for the ACT and Victoria, and policy and procedural development activities prioritised for delivery in line with scheduled transitions. ACT policies and procedures for operations were completed ahead of scheduled transition on 1 July 2019.	⊙	-
	A secure national compliance and assurance data and information-sharing framework developed In June 2019, PwC delivered its report establishing the scope and priority for implementing an information services model, and providing guiding principles and actions. Implementation will commence in 2019-20.	⌚	-
	Second stage of the Safety and Compliance Regulatory Platform completed Stage 2 involved the maturation of the SCRP. Planned embedment of anticipated major activities was completed or exceeded.	⊙	30

³ IRF, IOG, Technical Working Group and State Working Group meetings.



Performance standard	Annual indicator	Status	Page
The NHVR's regulatory frameworks are publicly available in a format which is clear, understandable and accessible	<p>100% of all regulatory services are documented and made available via all user channels</p> <p>The <i>NHVR Services Catalogue</i>, which describes regulatory services delivery, was completed in December 2018 and published on the <i>Our core services</i> page of our website.</p>	✓	-
The NHVR is open and responsive to requests and feedback on its regulatory activities, approaches and services	<p>Advice and guidance is widely available to stakeholders, with feedback mechanisms in place to support and inform continuous improvement</p> <p>Our website is our main source of advice and provides users with the opportunity to provide feedback on a dedicated page. In addition, stakeholders can call our call centre or directly email our Vehicle Standards, Fatigue Management and PBS teams.</p>	✓	-
	<p>Accessible and responsive customer service charter and complaints management process, which is publicly reported</p> <p>We manage complaints in line with our <i>Customer Complaints Management Policy</i>, which is published on the <i>Contact Us</i> page of our website, where our Customer Service Charter is also located.</p>	✓	32
	<p>80% of industry respondents to customer survey report above average satisfaction</p> <p>As reported in this table on page 36.</p>	✗	32
	<p>100% of received customer feedback complaints are analysed for trends and business improvement opportunities</p> <p>During 2018-19, we received a total of 14 complaints—a 53% decrease from the 30 complaints received in 2017-18. All complaints were analysed for trends and business improvement opportunities.</p>	✓	32
	<p>Execution of Service Level Agreement reporting framework</p> <p>As reported in this table on page 35.</p>	n/a	-
Effective service delivery through alignment of capability against the future demands of delivering national regulatory services	<p>Progression of National Service Transition Project against budget and schedule</p> <p>As reported in this table on page 35.</p>	🕒	7,9, 29
	<p>100% of audit recommendations are implemented</p> <p>By 30 June 2019, 100 out of 121 (83%) of audit recommendations had been implemented, 14 were still open and 7 were overdue.</p>	✗	-
The NHVR regularly reviews its regulatory and support processes to ensure the effectiveness of the regulatory framework achieving outcomes	<p>100% of all NHVR processes are captured in the process control framework and are reviewed annually</p> <p>An estimated 66% of all processes have been captured or are currently in development in the NHVR Process Control Framework.⁴</p>	🕒	-
	<p>Annual review undertaken of organisational performance against strategy</p> <p>This Annual Report comprises a review of the NHVR's performance against the strategy detailed in the <i>2018-2021 Corporate Plan</i>.</p> <p>Performance is also monitored quarterly through the 'Organisational performance against business plan' reporting regime.</p>	✓	-
	<p>In January 2019, the NHVR Board and ELT held a Board Strategy Workshop to review the NHVR's performance against the <i>2018-2021 Corporate Plan</i> and confirm the strategic priorities for 2019.</p>		

⁴ Estimated against a total 112 identified Level 3 organisational processes within the NHVR Performance Governance and Risk's Process Catalogue.



CORPORATE GOVERNANCE AND MANAGEMENT

Our Corporate Governance framework sets out the standards of accountability and transparency our stakeholders expect of our organisation.

It outlines the principles, elements and mechanisms we use to effectively achieve the two main aims of corporate governance:

- assurance that we are meeting our compliance requirements
- improving our organisational performance.

It also provides the context within which we operate to achieve our objectives, ensure transparent, ethical, accountable, evidence-based decision-making, and effectively manage risk and key stakeholder relationships. It is firmly aligned with the HVNL, and fully reflects all relevant Queensland and Commonwealth legislation and policies that directly affect us in our capacity as the national heavy vehicle regulator.

Enabling legislation

The HVNL is enacted through a cooperative applied law scheme. The scheme involves the application or adoption in each participating jurisdiction of the text of standard legislative provisions promulgated in Queensland.

During the reporting period, the *Heavy Vehicle National Law Amendment Act 2018* was passed.

Responsible Ministers

As required by the HVNL, we report directly to responsible Ministers (the responsible Minister for the Commonwealth and for each participating jurisdiction). We provide them with:

- an Annual Report addressing the matters set out in s.693 of the HVNL
- a report about any matter that relates to the exercise of our statutory functions in response to a written direction under s.694 of the HVNL
- a three-year corporate plan, updated annually, under s.695 of the HVNL.

Since our commencement in 2013, we have also provided reports to each meeting of the Transport and Infrastructure Council seeking their guidance or their approval of proposed actions, or which Ministers require to be submitted.

Under the HVNL, we must also:

- comply with policy directions given by responsible Ministers under s.651
- provide information to a responsible Minister in response to a referral of a matter under s.652.

No written directions or referrals were given or made by Ministers to the NHVR in 2018-19.

OUR BOARD

Our Board comprises five members appointed by the Queensland Minister on the unanimous recommendation of the responsible Ministers.

The Hon Duncan Gay, Chairman

Duncan was previously NSW Minister for Roads, Maritime and Freight and Leader of the Government in the New South Wales Legislative Council.

As Minister, he championed significant positive change to the safety and productivity of the heavy vehicle sector, enabling NSW transport operators and local businesses to catch up with the rest of the country and, in many cases, lead reform of road freight improvements for the benefit of the industry, broader community and, in turn, the national economy. He understood the importance of working closely with freight supply chain partners to deliver tangible outcomes, particularly for regional and rural NSW, and was responsible for vastly increasing access to local freight networks and giving a strong focus to adopting a respectful culture in roadside heavy vehicle safety and compliance interactions.

Duncan is a Director of the Bush Children's Education Foundation of NSW, a Director of Sir Earle Page Trust, an Advisory Board Member of MU Group and Non-Executive Director of Asia Pacific RPAS Consortium (ARC).



Peter Garske, Deputy Chairman

Peter is the former CEO of the Queensland Trucking Association Ltd (1995–2016). He is a current Director of the Queensland Transport and Logistics Council. He was a Trustee Director of a \$4 billion industry superannuation fund (1996–2016), including an eight-year period as Chair of the Investment Committee. He previously served on the Queensland Workplace Health and Safety Board (2004–2016).

Ken Lay AO APM

Ken is the former Chief Commissioner of Victoria Police, where he held a number of positions from 1974. He has extensive networks within all levels of government and the broader community.

He is Chair of Ambulance Victoria's Board of Directors, Chair of the Victoria Institute of Forensic Mental Health Board of Directors and a Non-Executive Director of the Essendon Football Club. He is also a member of the Monash University Accident Research Advisory Board. He advises Government at both a Commonwealth and State level across a number of policy areas.

In November 2017, Ken was appointed Lieutenant-Governor of Victoria. He is also an Officer of the Order of Australia and an Australian Police Medal recipient.

Robin Stewart-Crompton

Robin is the Director of RSC Advising Pty Ltd and is a consultant in the fields of public administration, occupational health

and safety, workers' compensation and industrial relations. Previously, he was a senior Commonwealth public servant and a legal practitioner.

Coral Taylor

Coral is a Non-Executive Director of NRMA Motoring and Services, a member and immediate past chair of the NRMA Policy and Advocacy Committee, and a member of its Governance, Compensation and Nomination Committee. She has more than 30 years' experience in the motorsport industry, holds a heavy combination licence and regularly drives a semitrailer to events around Australia.

The Board's functions¹ include:

- ensuring that the NHVR exercises its functions in a proper, effective and efficient way
- ensuring that adequate and effective governance processes and controls are in place
- oversight of the NHVR's financial activities.

In October 2018, Chairman, Bruce Baird and Board Member, Vincent Tremaine retired. Duncan Gay was appointed as the new Chairman and Ken Lay as a new member. Robin Stewart-Crompton was reappointed for a three-year term, and Coral Taylor and Peter Garske were reappointed for 12-month terms.

Board meetings

During 2018-19, the Board convened 11 formal meetings and two circular resolutions. All Board members were present at all meetings.

Board committees

In 2018-19 the Board's existing committees' charters were reviewed. The decision was taken to consolidate the Finance and Audit Committee and the Governance Committee into the Finance Risk and Audit Committee, with Ken Lay appointed as Committee Chairman.

During 2018-19, the Finance and Audit Committee held two meetings, the Governance Committee held two meetings and the Finance Risk and Audit Committee held one meeting and one circular resolution.

Internal audit arrangements

Our risk-based internal audit approach entails performance, financial, IT and compliance audits across the organisation, conducted through an outsourced internal audit service provision.

The internal audit function assists the Board and its committees to execute their respective responsibilities effectively by providing independent advice, analysis and recommendations concerning the NHVR's operations and processes. The Finance Risk and Audit Committee approves the internal audit plan.

In 2018-19, the internal audit program included two audits to review the design and improve the effectiveness of the control environment. These were:

- safety and compliance on-road operations
- reviewable decisions.

As a result of these two audits, we are:

- undertaking a program of work to strengthen our safety processes and operating procedures for our growing safety and compliance on-road workforce

- embedding an organisationally consistent process for internal reviews of reviewable decisions as defined in Schedule 3 of the HVNL.

During the year, we also undertook an internal review to verify completeness of actions generated from prior internal audits. As at 30 June 2019, seven out of 121 internal audit actions were overdue and 14 were still open.

The Executive Leadership Team (ELT) has responsibility for oversight of the audit plan and the progress of process improvement brought about through the implementation of the recommendations, and for reporting on these to the Finance Risk and Audit Committee.

Risk management

The identification, analysis, treatment, monitoring and review of risk are embedded in all NHVR functions, and contribute directly to the effective and efficient achievement of our goals.

Our Risk Management Framework is reviewed annually to ensure relevance, ease of use and that it remains aligned to AS/NZS ISO 31000:2009 *Risk Management – Principles and Guidelines*.

With our framework now intrinsically linked to our business planning, each business unit and project undertakes a formal risk assessment prior to the start of the new financial year, with identified treatments and regular monitoring activities appearing as line items in business and project plans.

Deputy Chairman Peter Garske, Chairman Duncan Gay, Board Directors Coral Taylor, Robin Stewart-Crompton and Ken Lay.

¹ Section 664 of the HVNL.

EXECUTIVE LEADERSHIP TEAM



Sal Petrocchio
Chief Executive Officer

Sal became Chief Executive Officer of the NHVR in May 2014, bringing extensive knowledge of heavy vehicle regulation to the role.

He also has broad experience across state and local government, having held senior leadership roles in transport and logistics, land use, transport and strategic planning, and has worked closely with industry and stakeholders to deliver an efficient and effective transport system and improved supply chain outcomes.

Over the past four years, Sal has led a significant program of reform across Australia's heavy vehicle industry, including transitioning functions from participating jurisdictions to deliver a single national heavy vehicle regulator, harmonising heavy vehicle regulations across more than 450 road managers, modernising safety laws for the heavy vehicle supply chain and heavy vehicle operators, and introducing the digital permit system (the NHVR Portal).



Leigh Pickering
Chief Corporate Officer

Leigh joined the NHVR in August 2018 to take up the newly created position of Chief Corporate Officer, with responsibility for finance, human resources, procurement and property, IT, business improvement and innovation, legal services, and performance, governance and risk.

She has extensive experience in delivering major organisational change, leading and managing large teams, and developing and implementing government policies.

She has held a range of senior roles in the Queensland Government. As Assistant Director-General Human Resources, Department of Education, she led and managed responsibilities of a branch of over 700 staff in multiple locations, focusing on setting the strategic agenda for the delivery of transformative human services and responding to the challenges of supply in the teaching workforce. As Assistant Under-Treasurer, Queensland Treasury, her focus was on assessing and developing major policy initiatives, including setting and implementing the state's fiscal agenda.



Paul Salvati
Chief Operations Officer

Paul joined the NHVR in March 2019 to take up the position of Chief Operations Officer, with responsibility for the operational elements of our business, including on-road operations, access permits, stakeholder engagement and customer experience.

Paul's experience is primarily in the field of service delivery, encompassing frontline customer service, regulatory and compliance functions, community policy, infrastructure and services. He has worked across all three tiers of government and in the private sector, and has consulted domestically and overseas on service delivery transformation. Teams under his leadership have won state, national and international awards for diversity, innovation and customer service excellence.

Prior to joining the NHVR, Paul was the Divisional Manager Lifestyle and Community Services at Brisbane City Council, where he led a multi-disciplinary workforce of over 1,400 staff with a \$380 million annual operating budget, and responsibility for the city's customer and regulatory services, community services and infrastructure—a \$1.5 billion asset portfolio incorporating more than 600 leased/operational sites.

Led by our Chief Executive Officer, Sal Petrocchio, the ELT is responsible for the day-to-day management of our organisation and for leading the delivery of our strategic objectives.



Joe Fitzgerald
Executive Director,
Corporate Affairs

Joe joined the NHVR in January 2019 to lead the newly established Corporate Affairs Division, with responsibility for intergovernmental relations, media, marketing and communications services.

He has extensive leadership and corporate affairs experience across private and public sectors, and is adept at developing and executing strategic political, social and educational campaigns and projects on a state and national level.

This experience includes the development and leadership of high-performing teams, and working with complex stakeholders in the successful delivery of organisational goals across traditional and social media, advertising and marketing channels.



Ray Hassall
Executive Director,
Statutory Compliance

Ray leads the NHVR's Statutory Compliance Division.

He has more than 20 years' experience in public administration, and has led the design and implementation of regulatory reform at the state and national levels for all land transport modes. This experience includes legal and regulatory policy design, administrative review, strategic analysis, high-level stakeholder liaison, parliamentary committee appearances and managing parliamentary and cabinet processes.

Ray has a deep background in regulatory compliance and is an industry expert for a legal publisher, as well as a peer reviewer for many national and international transport publications.

Chief Regulatory Policy
and Standards Officer
Currently vacant

The Executive Director Safety Standards and Assurance Geoff Casey and Executive Director Freight and Supply Chain Productivity Peter Caprioli reported directly to the CEO in the reporting period.

Probity measures

Public interest disclosure

Our policy and procedures on public interest disclosure are consistent with the requirements of the *Public Interest Disclosure Act 2009* (Qld). They enable confidential disclosure of matters and protect disclosers from fear or threats of reprisal for making a disclosure.

No disclosures were made during the reporting period.

Corrupt conduct

We are subject to misconduct prevention legislation in all participating states and territories, as well as the requirements of the HVNL, imposing:

- a specific obligation to act honestly, with integrity and in good faith, and with a reasonable degree of care, diligence and skill
- a statutory prohibition on employees improperly using their position or information that comes to their knowledge through the exercise of functions under the HVNL.

Our *Corrupt Conduct Policy* provides a clear and transparent statement of our commitment to protecting our customers, employees and standing within the community by effectively preventing, detecting and deterring misconduct, fraud and corruption.

Our policies and procedures relating to any complaints that may be made against our CEO are consistent with the requirements of s.48A of the *Crime and Corruption Act 2001* (Qld) and are endorsed by the Queensland Crime and Corruption Commission.

Any complaints as to corrupt conduct are taken seriously and are reported as required by law.

Code of conduct

The *NHVR Code of Conduct 2017* sets out the standards of conduct for our people and governs our behaviour, decisions and actions. The code guides achievement towards our key result areas and embodies the NHVR values.

The code applies to all NHVR representatives, employees (permanent, casual and fixed term), contractors, agents and any other person engaged by the NHVR to undertake an activity for, or on behalf of, the NHVR.

All new employees must declare when joining or undertaking consulting work with the NHVR, that they will uphold these obligations. We are tracking at 98% compliance rate with these declarations. In addition, all employees and contractors will be required to complete annual Code of Conduct refresher training via our online learning system from 2019-20.

Conflict of interest

Our *Conflict of Interest Management Policy* and Management Standard guides our employees and managers in ensuring they understand their individual responsibilities and that all conflicts of interest—perceived, real or potential—are properly managed.

Where there have been conflicts notified, these are assessed by the leaders in conjunction with the People and Culture team, for review and sign-off by the Chief Executive Officer. The depth of this declaration process is to ensure we are both encouraging our people to report potential conflicts of interest and to assess these appropriately.

Fraud control

The NHVR monitors non-compliance with corporate policies through its assurance activities, and formally reviews thresholds and appropriateness of all financial delegations annually.

We observe our duties under the Queensland Crime and Corruption, Public Interest Disclosure and Ombudsman Acts through our Legal Services business unit, which manages statutory complaints and investigations.

Insurance and indemnities

We hold the following insurances: public and products liability, directors and officers liability, professional indemnity, travel, crime, occupational health and safety, and business insurance.

No claims were made under the policies during the reporting period.

Information privacy and right to information

Under s.696 of the HVNL, we are subject to the *Information Privacy Act 2009* (Qld) (the IP Act) and the *Right to Information Act 2009* (Qld) (RTI Act). We are guided by the legislation and the guidelines published by the Queensland Office of the Information Commissioner. We are subject to internal processes and controls through our *Right to Information and Information Privacy Policy and Managing Right to Information and Information Privacy Applications Work Procedure*.

Individuals can apply for access to personal information under the IP Act and non-personal information under the RTI Act. The Disclosure Log on our website provides details of information released in response to RTI requests.

During 2018-19, we received one application under the RTI Act.



External scrutiny

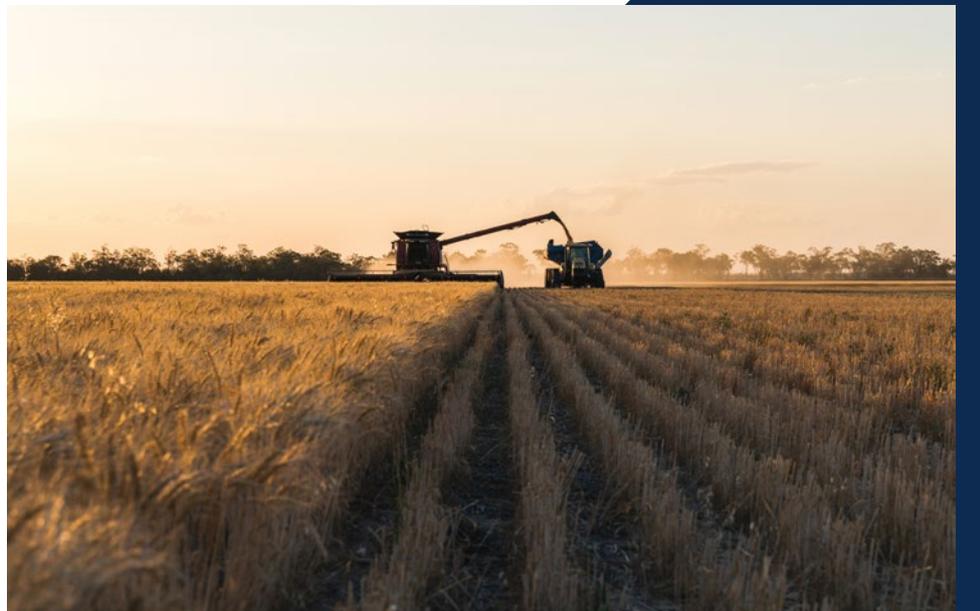
Judicial decisions

No applications for judicial review of any NHVR decisions were made during the reporting period.

The only published decision during the reporting period related to an application to the Fair Work Commission arising from the transition of heavy vehicle services from the ACT Government to the NHVR. The Commission's decision provided the reasons for granting the NHVR's application, whereby orders were made that the *ACT Public Sector Infrastructure Services Enterprise Agreement 2018-2021* would not apply to the NHVR and transferring employees, and that the *NVHR Greenfields (Operational and On-road Regulatory Compliance Employees) Enterprise Agreement 2017-2020* would apply to transferring employees.

Coronial inquiries

No coronial matters were referred to the NHVR during the reporting period.





FINANCIAL STATEMENTS

NATIONAL HEAVY VEHICLE REGULATOR FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2019

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Statement of Profit or Loss and Other Comprehensive Income for year ended 30 June 2019

	Note	2019	2018
		\$000	\$000
Income from continuing operations			
Regulatory income	2	153,174	144,026
Other contributions	3	8,894	8,868
Fee income	4	11,557	4,964
Other income	5	1,883	1,708
Total income from continuing operations		175,508	159,566
Expenses from continuing operations			
Employee and related expenses	6	38,147	29,812
Service agreement payments	7	93,219	98,303
Third party services	8	11,177	10,316
Operating leases		1,750	2,268
Depreciation and amortisation	9	2,163	1,723
Financing costs	10	296	358
Other expenses	11	7,531	6,416
Total expenses from continuing operations		154,283	149,196
Operating surplus from continuing operations		21,225	10,370
Total surplus for the period		21,225	10,370
Other comprehensive income		-	-
Total comprehensive income		21,225	10,370

Statement of Financial Position as at 30 June 2019

Assets			
Current assets			
Cash and cash equivalents	26	53,726	39,662
Trade and other receivables	12	15,378	13,440
Other current assets	13	780	760
Total current assets		69,884	53,862
Non current assets			
Plant and equipment	14	865	767
Intangible assets	15	12,069	7,239
Total non current assets		12,934	8,005
Total assets		82,818	61,867
Liabilities			
Current liabilities			
Trade and other payables	16	3,684	2,960
Loan liabilities	17	2,340	1,871
Accrued employee benefits	18	4,319	3,237
Unearned revenue		212	1,530
Total current liabilities		10,555	9,599
Non current liabilities			
Loan liabilities	17	4,055	6,099
Accrued employee benefits	18	2,090	1,277
Total non current liabilities		6,145	7,376
Total liabilities		16,700	16,975
Net assets		66,118	44,893
Equity			
Accumulated surplus		66,118	44,893
Total equity		66,118	44,893

Statement of Changes in Equity for year ended 30 June 2019

	Accumulated surplus	Total
	\$000	\$000
Balance as at 1 July 2017	34,523	34,523
Operating result from continuing operations	10,370	10,370
Balance as at 30 June 2018	44,893	44,893
Balance as at 1 July 2018	44,893	44,893
Operating result from continuing operations	21,225	21,225
Balance as at 30 June 2019	66,118	66,118

Statement of Cash Flows for year ended 30 June 2019

	Note	2019	2018
		\$000	\$000
Cash flows from operating activities			
<i>Inflows:</i>			
Regulatory income		148,514	163,043
Other contributions		7,374	10,388
GST refunded from Australian Taxation Office		13,932	13,225
Receipts from operating activities (NHVAS and Access)		6,955	4,709
Interest received		1,535	1,317
Other		4,633	410
		182,943	193,092
<i>Outflows:</i>			
Employee and board related expenses		(36,402)	(29,299)
Supplies and services		(123,513)	(149,760)
		(159,915)	(179,059)
Net cash provided by / (used in) operating activities	19	23,028	14,033
Cash flows from investing activities			
<i>Outflows:</i>			
Payments for plant and equipment		(318)	(536)
Payments for intangible assets		(6,775)	(1,471)
Net cash provided by / (used in) investing activities		(7,093)	(2,007)
Cash flows from financing activities			
<i>Outflows:</i>			
Loan repayments		(1,871)	(4,421)
Net cash provided by / (used in) financing activities	20	(1,871)	(4,421)
Net increase / (decrease) in cash and cash equivalents		14,064	7,605
Cash and cash equivalents at the beginning of the period		39,662	32,057
Cash and cash equivalents at the end of the period		53,726	39,662

The accompanying notes form part of these statements.

Notes to the Financial Statements for year ended 30 June 2019

Note 1: Basis of financial statement preparation

(a) General information, objectives and principal activities of the authority

Based in Brisbane, Queensland, the National Heavy Vehicle Regulator (Regulator) is Australia's national, independent heavy vehicle regulator for all vehicles over 4.5 tonnes gross vehicle mass. The Regulator was established to minimise the compliance burden on duty holders under the HVNL, reduce duplication of, and inconsistencies in, heavy vehicle registration across state and territory borders and to provide leadership and driving sustainable improvement to safety, productivity and efficiency outcomes in the heavy vehicle road transport industry. The Regulator was formally established on 12 October 2012 following passage of its enabling legislation, the *Heavy Vehicle National Law Act 2012* on 23 August 2012.

On 10 February 2014 the HVNL commenced in participating states and territories of Queensland, New South Wales, Australian Capital Territory, South Australia and Tasmania. Western Australia and Northern Territory have not adopted the HVNL. Business activities of the Regulator include:

- on-road compliance and enforcement;
- NHVAS management and accreditations;
- the PBS scheme, vehicle design and access approvals;
- vehicle road access permit applications;
- vehicle standards, modifications and exemption permits;
- national driver work diary; and
- national exemption notices.

(b) Statement of compliance

The Regulator has prepared these financial statements in compliance with the *Heavy Vehicle National Law Act 2012* (the Act).

These financial statements are General Purpose Financial Statements and have been prepared on an accrual basis in accordance with Australian Accounting Standards and Interpretations, applicable to not-for-profit entities.

The financial statements were authorised for issue by the Board of the Regulator on 4 September 2019.

(c) The reporting entity

The financial statements include the value of all revenues, expenses, assets, liabilities and equity of the Regulator. The Regulator does not have any controlled entities and is a not-for profit entity. Except where stated, the historical cost convention is used.

(d) Going concern

Payment of the Regulator's debts as and when due as well as settling its liabilities and realising its assets in the normal course of business at amounts stated in the financial report remains primarily dependent upon timely receipt of the regulatory income component of heavy vehicle registration charges from participating state and territory government agencies in accordance with agreed payment timeframes.

Notwithstanding the ongoing dependence on timely receipt of the regulatory component of heavy vehicle registration charges from participating state and territory government agencies, the Board is of the opinion that the Regulator is a going concern and this financial report is prepared on that basis.

(e) Insurance

The Regulator's risks are insured with premiums being paid on a risk assessment basis with regards to the activities of the Regulator. In addition, premiums are paid to WorkCover Queensland, ReturnToWorkSA South Australia, Worksafe Victoria and Allianz Insurance in respect of its obligations for employee workers compensation.

(f) Taxation

The Regulator was established under Part 12.2 of the *Heavy Vehicle National Law Act (2012)* as a statutory body corporate and is therefore exempt from Commonwealth taxation except for Fringe Benefits Tax and Goods and Services Tax (GST). The net amount of GST recoverable from the Australian Taxation Office is shown as an asset.

The Regulator pays payroll tax to the Queensland, Victoria, ACT, Tasmania and South Australia governments for a reward for services rendered by employees, deemed employees and contractors where the arrangement is considered a "relevant contract" for payroll tax purposes.

(g) Estimates and judgements

Estimates and assumptions that have a potential significant effect are outlined in the following financial statement notes:

- Valuation of intangibles, property, plant and equipment - Note 14 & 15
- Amortisation of intangibles and depreciation of property, plant and equipment - Note 9, 14 & 15
- Loan liabilities - Note 17
- Accrued employee benefits - Note 18

(h) Rounding and comparatives

Amounts included in the Financial Statements are in Australian dollars and have been rounded to the nearest \$1,000 unless disclosure of the full amount is specifically required.

Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period.

(i) First time mandatory application of Australian Accounting Standards and Interpretations

AASB 9 Financial Instruments and AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014).

These standards first apply to the Regulator's financial statements for 2018-19. The main impacts of these standards on the Regulator are that they will change the requirements for the classification, measurement, impairment and disclosures associated with the Regulator's financial assets. AASB 9 will introduce different criteria for whether financial assets can be measured at amortised cost or fair value.

The Regulator notes the following impacts to financial instrument classification from the adoption of the new standard on 1 July 2018.

Category	Previously AASB 139	Currently AASB 9
Cash and cash equivalents	Loans and receivables	Amortised cost
Trade and other receivables	Loans and receivables	Amortised cost
Trade and other payables	Other financial liabilities	Other financial liabilities
Loans and borrowings	Other financial liabilities	Other financial liabilities

The new hedge accounting rules have no impact on the group's financial statements.

Following adoption of AASB 9 on 1 July 2018, there is no material impact on the Regulator's financial position and no restatement is required.

(j) New and revised accounting standards *Early adoption of Australian Accounting Standards and Interpretations*

No accounting pronouncements were early adopted in the 2018-19 financial year.

Future impacts of Accounting Standards not yet effective

At the date of authorisation of the financial report, the expected impacts of new or amended Australian Accounting Standards issued but with future effective dates are set out below:

AASB 15 Revenue from Contracts with Customers

This standard will first apply to the Regulator's financial statements from 2019-20. The Regulator's revenue is principally derived from regulatory income, grants and contributions which will be measured under AASB 15 Revenue from Contracts with Customers and will be unaffected by this change.

AASB 1058 Income of Not-for-Profit Entities

This standard will first apply to the Regulator's financial statements from 2019-20. The Regulator does not currently have any revenue contracts with a material impact for the period after 1 July 2019, and will monitor the impact of any such contracts subsequently entered into before the new standard takes effect.

AASB 16 Leases

This standard will first apply to the Regulator from its financial statements for 2019-20. When applied, the standard supersedes AASB 117 Leases, AASB Interpretation 4 Determining whether an Arrangement contains a Lease, AASB Interpretation 115 Operating Leases - Incentives and AASB Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

Impact for lessees

Unlike AASB 117 Leases, AASB 16 introduces a single lease accounting model for lessees. Lessees will be required to recognise a right-of-use asset (representing rights to use the underlying leased asset) and a liability (representing the obligation to make lease payments) for all leases with a term of more than 12 months, unless the underlying assets are of low value.

In effect, the majority of operating leases (as defined by the current AASB 117) will be reported on the statement of financial position under AASB 16. There will be an increase in assets and liabilities for the Regulator. The impact on the reported assets and liabilities would be largely in proportion to the scale of the Regulator's leasing activities.

The right-of-use asset will be initially recognised at cost, consisting of the initial amount of the associated lease liability, plus any lease payments made to the lessor at or before the effective date, less any lease incentive received, the initial estimate of restoration costs and any initial direct costs incurred by the lessee. The right-of-use asset will give rise to a depreciation expense.

The lease liability will be initially recognised at an amount equal to the present value of the lease payments during the lease term that are not yet paid. Current operating lease rental payments will no longer be expensed in the Statement of Comprehensive Income. They will be apportioned between a reduction in the recognised lease liability and the implicit finance charge (the effective rate of interest) in the lease. The finance cost will also be recognised as an expense. Management have yet to determine the financial impact from application of this standard.

As at balance date the Regulator has non-cancellable operating lease commitments of \$12.7M. The Regulator will adopt the modified retrospective approach in the year ending 30 June 2020 and will not restate comparative amounts.

All other Australian accounting standards and interpretations with future effective dates are either not applicable to the Regulator's activities, or have no material impact on the Regulator.

Note 2: Regulatory income

	2019	2018
	\$000	\$000
VicRoads (Vic)	43,958	42,530
Roads and Maritime Services (NSW)	49,078	42,700
Transport and Main Roads (Qld)	42,175	41,839
Department for Planning, Transport and Infrastructure (SA)	12,877	12,157
Chief Minister, Treasury and Economic Development (Access ACT)	795	800
Department of Infrastructure, Energy and Resources (Tas)	4,291	4,000
Total regulatory income	153,174	144,026

Accounting policy - Regulatory income

Regulatory income is recognised on a systematic basis over the periods in which the Regulator performs the obligations and recognises costs for which the income is intended to compensate. Regulatory income is provided to the Regulator from participating state and territory government agencies, representing the regulatory component of heavy vehicle registration charges.

Note 3: Contributions

Commonwealth contributions ⁽¹⁾	3,894	3,868
State and territory contributions ⁽²⁾	5,000	5,000
Total grants and other contributions	8,894	8,868

Accounting policy - Contributions

Unconditional government contributions are recognised as revenue on receipt or when it is probable that the economic benefits will flow to the Regulator and the value of that benefit can be reliably measured.

Disclosure - Contributions

⁽¹⁾ The Regulator received a contribution from the Commonwealth for Heavy Vehicle Safety Initiatives.

⁽²⁾ The Regulator received a contribution from Jurisdictions for the Safety Compliance Regulatory Platform.

Note 4: Fee income

National Heavy Vehicle Accreditation Scheme (NHVAS) fees	3,636	2,906
Work diaries	4,070	216
Access permit fees	3,851	1,842
Total fee income	11,557	4,964

Accounting policy - Fee income

Fee income is recognised when services are completed and includes application fees associated with the National Heavy Vehicle Accreditation Scheme, national driver work diary fees and application fees for Access permits collected under the Heavy Vehicle National Law. Where payment has been received for services not yet completed or in progress as at reporting date they are recognised as unearned revenue until such time as the service is completed.

Note 5: Other income

	2019	2018
	\$000	\$000
Interest income ⁽¹⁾	1,441	1,443
Sundry revenue	442	264
Total other income	1,883	1,708

Accounting policy – Other income

Interest income

Interest income is recognised on an accrual basis when it is probable that the economic benefits will flow to the Regulator and the amount of revenue can be measured reliably.

Disclosure – Other income

⁽¹⁾ Interest income is received from short term cash deposits and operating cash held.

Note 6: Employee and related expenses

Wages and salaries	32,517	25,514
Employer superannuation contribution	3,320	2,629
Payroll tax	1,688	1,376
Other employee related expenses	621	292
Total employee and related expenses	38,147	29,812

The number of employees including both full time employees and part time employees measured on a full time equivalent basis are:

Number of employees as at 30 June 2019:	311	245
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Accounting policies – Employee expenses

Employer superannuation contributions, annual leave and long service leave are regarded as employee benefits.

Payroll tax and workers' compensation insurance are a consequence of employing employees, but are not included in an employee's total remuneration package. They are not employee benefits and are recognised separately as employee related expenses.

Wages and salaries

Wages and salaries due but unpaid at reporting date are recognised in the Statement of Financial Position at the current salary rates.

Annual leave

A provision for unpaid annual leave is based on the number of working days owing to employees as at the end of the reporting period. The annual leave provision calculation uses the notional cash component of the total employment cost of employees that would be required to be paid if the liability was to be settled at balance date. This includes oncosts that are required to be paid in conjunction with annual leave. Oncosts comprising superannuation, payroll tax and worker's compensation are included in the calculation of the annual leave provision.

Sick leave

Non-vested sick leave represents unused sick leave entitlements that are not paid out to an employee. Non-vested sick leave is not accrued, and is expensed as paid; payments are made only upon a valid claim for sick leave by an employee.

Long service leave

Long service leave entitlements are accumulated after the qualifying period of service until the leave is taken or paid out. After the qualifying period, long service leave continues to accrue. No legal entitlement to any payment for long service leave exists before completion of the qualifying period by an employee, other than pro-rata long service leave for departure between 7 - 10 years employment.

The provision for long service leave calculation takes into account the following factors:

1. Where an employee has between 7 and 10 years of service, a pro-rata entitlement is brought to account (a probability factor is applied to employees within each year of tenure under 7 years to derive the estimated number of employees that will complete the qualifying period. This factor is applied to amounts sourced from payroll system long service leave reports).
2. Where an employee has over 10 years of service, the absolute entitlement is brought to account.

Unconditional long service leave is disclosed as a current liability, even where the Regulator does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

Conditional long service leave is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current long service leave liability is measured at present value.

Superannuation

Employer superannuation contributions are recognised in the same period as the related employee remuneration cost is incurred.

The Regulator has some employees included in QSuper defined benefit plans. No liability is recognised for accruing superannuation benefits in these financial statements, the liability being held on a whole-of-government basis and reported in those financial statements, prepared pursuant to AASB 1049 Whole of Government and General Government Sector Financial Reporting, as prepared by the Queensland Treasury.

Note 7: Service agreement payments

	2019	2018
	\$000	\$000
Vic Roads (Vic)	13,400	13,400
Roads and Maritime Services (NSW)	55,880	56,500
Transport and Main Roads (Qld)	20,953	21,086
Department for Planning, Transport and Infrastructure (SA)	904	2,762
Chief Minister, Treasury and Economic Development (Access ACT)	1,132	1,357
Department of Infrastructure, Energy and Resources (Tas)	-	2,248
Transport Certification Australia	950	950
Total service agreement payments	93,219	98,303

Accounting policy – Service agreement payments

In 2018-19 payments were provided to state and territory government agencies for the provision of certain regulatory services in accordance with service agreements. Services include compliance and enforcement, vehicle inspection standards, regulatory audits, access management and customer service.

Note 8: Third party services

Contractor costs	4,324	5,145
IT systems support	3,033	2,540
Managed services ⁽¹⁾	1,164	1,228
Equipment purchases	557	356
Software purchases	1,062	300
Telecommunication costs	573	360
Advisory services	264	193
Internal audit fees	161	163
External audit fees ⁽²⁾	39	31
Total third party services	11,177	10,316

Disclosure - Third party services

⁽¹⁾ Managed services include the outsourced contact centre and the externally hosted financial and payroll systems.

⁽²⁾ Total audit fees to be paid to PKF relating to 2018-19 financial statements are quoted to be \$37,500 (2018: \$37,000).

Note 9: Depreciation and amortisation

	2019	2018
	\$000	\$000
Plant and equipment	206	97
Computer hardware	13	14
Computer software (intangible asset)	1,944	1,611
Total depreciation and amortisation	2,163	1,723

Accounting policy – refer to Notes 14 and 15.

Note 10: Financing costs

Interest expense on loans ⁽¹⁾	296	358
Total financing costs	296	358

Accounting policy – financing costs

Financing costs incurred on loans provided by participating states and territory government agencies are expensed.

Disclosure – financing costs

⁽¹⁾ Interest expense on loans from the State of Victoria was \$296,085.64. Interest rates are 4.20%.

Note 11: Other expenses

Office related expenses	1,733	3,538
Licence fees	720	497
Marketing and communication related expenses	2,647	422
Insurance	280	235
Travel expenses	1,685	1,273
Board fees	443	427
Other board related expenses	23	24
Total other expenses	7,531	6,416

Note 12: Trade and other receivables

Trade receivables	14,367	10,151
GST - net receivable	815	2,971
Interest receivable	165	260
Other receivables	31	59
Total trade and other receivables	15,378	13,440

Accounting policy – Receivables

Trade receivables are predominantly in relation to the amount due from the jurisdictions.

The collectability of receivables is assessed periodically with an allowance being made for impairment where appropriate. All known bad debts are written off in the same period or as at 30 June.

Other receivables generally arise from transactions outside the usual operating activities of the Regulator and are recognised at their assessed values.

Note 13: Other current assets

	2019	2018
	\$000	\$000
Prepayment		
Annual licence fees	317	299
Insurance	115	77
Support and maintenance	317	222
Rent	31	161
Total other current assets	780	760

Note 14: Plant and equipment

a) Classes of plant and equipment

Plant and equipment		
At cost	1,203	653
Less: accumulated depreciation	(341)	(135)
	862	518
Computer hardware		
At cost	105	105
Less: accumulated depreciation	(102)	(89)
	3	16
Work in progress:		
Carrying amount at 1 July 2018	-	-
Acquisitions	-	232
Carrying amount at 30 June 2019	-	232
Total plant and equipment	865	767

Accounting policy – Recognition

Items of plant and equipment with a cost or other value equal to or in excess of the following thresholds are recognised for financial reporting purposes in the year of acquisition:

Asset Type	Threshold
Network assets	\$1
Plant and equipment	\$5,000
Computer hardware	\$5,000

Items with a lesser value are expensed in the year of acquisition with the exception of network assets. Network assets are items that are homogenous in nature and are items that fall below the recognition threshold on an individual basis, yet when considered as a whole are material.

Network assets are typically purchased rather than constructed and have useful lives that are approximately the same as each other.

Accounting policy – Cost of Acquisition

Actual cost is used for the initial recording of all non-current physical and intangible asset acquisitions. Cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use. However, any training costs are expensed as incurred.

Assets acquired at no cost or for nominal consideration are recognised at their fair value at date of acquisition in accordance with AASB116 *Property, Plant and Equipment*.

All non-current physical and intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, then the asset's recoverable amount is estimated.

In assessing the fair value, an estimate of the amount that is expected to be obtainable from the sale of the asset in an arm's length transaction between knowledgeable and willing parties is calculated. The cash flows estimated using the value in use approach will be subject to a range of conditions that may well exist for a purchaser of the Regulator's business. Probabilities will be subject to a number of possible conditions to adjust the future cash flows to better reflect the expectations of a knowledgeable and willing purchaser.

An impairment loss is recognised if the carrying amount of an asset or its cash generating unit exceeds its recoverable amount.

Disclosure – Depreciation

For each class of depreciable asset the following depreciation rates are used:

Asset Type	Useful life (years)
Network assets	3-6
Plant and equipment	3-6
Computer hardware	3-6

b) Reconciliation of movement in plant and equipment 2018-19

	Plant and equipment	Computer hardware	Capital works in progress	Total
	\$000	\$000	\$000	\$000
Balance as at 1 July 2018	518	16	232	767
Acquisitions	94	-	224	318
Disposals	-	-	-	-
Transfers between classes	456	-	(456)	-
Depreciation	(206)	(13)	-	(219)
Impairment losses recognised in operating surplus	-	-	-	-
Carrying amount at 30 June 2019	862	3	0	865

Reconciliation of movement in plant and equipment 2017-18

Balance as at 1 July 2017	90	31	221	342
Acquisitions	304	-	232	536
Disposals	-	-	-	-
Transfers between classes	221	-	(221)	-
Depreciation	(97)	(14)	-	(112)
Impairment losses recognised in operating surplus	-	-	-	-
Carrying amount at 30 June 2018	518	16	232	767

Note 15: Intangible assets

a) Classes of intangible assets

	2019	2018
	\$000	\$000
Internally generated software (completed)		
At cost	19,027	19,027
Less: accumulated amortisation	(13,733)	(11,789)
Carrying amount at 30 June 2019	5,294	7,239
Internally generated software (WIP)	6,775	0
Total intangible assets	12,069	7,239
Internally generated software (completed)		
Carrying amount at 1 July	7,239	3,911
Transfers from WIP	-	4,939
Amortisation	(1,944)	(1,611)
Carrying amount at 30 June	5,294	7,239

b) Reconciliation of movement in intangible assets

	2019	2018
	\$000	\$000
Internally generated software (WIP):		
Carrying amount at 1 July	0	3,468
Acquisitions	6,775	1,471
Writeback	-	-
Transferred to asset account	-	(4,939)
Carrying amount at 30 June 2019	6,775	0

Accounting policy – Intangible assets and amortisation

Intangible assets are initially recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated depreciation/amortisation and accumulated impairment losses. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to the Regulator.

Intangible assets with a cost or other value greater than \$100,000 are recognised in the Financial Statements. Items with a lesser value are expensed. Each intangible asset is fully amortised over its estimated useful life to the Regulator and has a zero residual value.

All intangible assets of the Regulator have finite useful lives and are amortised on a straight line basis over an estimated useful life of between 2 to 5 years.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the intangible asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit or Loss in the expense category that is consistent with the function of the intangible assets.

Note 16: Trade and other payables

Trade payables	980	447
Other payables		
Accrued expenses	2,491	2,364
Other payables	213	150
	2,704	2,514
Total trade and other payables	3,684	2,960

Accounting policy – Payables

Trade payables are recognised upon receipt of the goods or services ordered and are measured at the nominal amount i.e. agreed purchase / contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

Note 17: Loan liabilities

Current		
Interest bearing government loans	2,340	1,871
Non-interest bearing government loans	-	2,699
	2,340	1,871

Disclosure – Loan liabilities (current)

Current liabilities reflect loan repayments expected to be repaid in 2018-19.

Non-current		
Interest bearing government loans	4,055	6,099
Non-interest bearing government loans	-	-
	4,055	6,099
Total loan liabilities	6,395	7,970

Disclosure – Loan liabilities

The Regulator received various tranches of loan funding between December 2012 and May 2014. Outstanding loan fundings as at 30 June 2019 have been summarised in the table below:

Summary of loan funding outstanding by participating states and territories

	Amount	Total
2013-14	\$	\$
2013-14 operating costs	2,587,717	2,587,717
Interest rates	4.20%	
2013-14 supplementary funding	1,970,000	1,970,000
Interest rates	4.20%	
Total loan funds received	4,557,717	4,557,717

In 2018-19 the Regulator paid \$1,871,209 in loan repayments to VicRoads.

Interest expense in 2018-19 of \$296,086 has been recognised in relation to interest bearing loans from participating state and territory government agencies (refer to Note 10).

Reconciliation of total loan funding received to balance of loan liabilities

	2019	2018
	\$000	\$000
Total loan liabilities opening balance	7,970	12,034
Interest expense	296	358
Amortisation (finance cost) of fair value adjustments	-	-
	8,266	12,392
Less loan repayments	(1,871)	(4,421)
Total loan liabilities closing balance	6,395	7,970

Note 18: Accrued employee benefits

Current		
Wages and salaries accrued	712	508
Annual leave	3,120	2,341
Long service leave	487	388
	4,319	3,237
Non-current		
Long service leave ⁽¹⁾	2,090	1,277
	2,090	1,277
Total accrued employee benefits	6,409	4,514

Accounting policy – refer to Note 6

Disclosure – Accrued employee benefits

⁽¹⁾ The amounts disclosed are discounted to present values.

Note 21: Key management personnel and remuneration expenses

a) Board members

1 July 2018 – 30 June 2019:

Position	Date Appointed	Short Term Employee Expenses		Long Term Employee Expenses	Post Employment Expenses	Termination Benefits	Total Expenses
		Monetary	Non-Monetary				
		\$	\$	\$	\$	\$	\$
Board Chair ⁽¹⁾	12/10/2012	33,463			3,185		36,647
Board Chair	12/10/2018	81,097			7,741		88,838
Board Member	12/10/2012	85,919			8,177		94,097
Board Member	12/10/2012	64,752			8,295		73,047
Board Member	12/10/2012	64,752			6,163		70,915
Board Member ⁽¹⁾	12/10/2012	21,309			2,034		23,343
Board Member	12/10/2018	50,917			4,846		55,763
Total remuneration		402,210	-	-	40,440	-	442,650

⁽¹⁾ The contract ended on 12/10/2018.

Note 19: Reconciliation of operating surplus to net cash from operating activities

	2019	2018
	\$000	\$000
Operating surplus	21,225	10,370
Adjusted for		
Finance costs (amortisation of fair value and interest expense on loans)	296	358
Net loss on disposal of plant and equipment	-	-
Depreciation and amortisation	2,163	1,723
	2,459	2,081
Change in assets and liabilities		
Change in trade receivables - interest	94	(122)
Change in trade receivables - net GST receivable	2,157	(390)
Change in other receivables	(4,188)	17,920
Change in other assets	(20)	(215)
Change in assets	(1,957)	17,193
Change in trade and other payables	723	(17,832)
Change in accrued employee benefits	1,895	697
Change in unearned revenue	(1,318)	1,524
Change in liabilities	1,301	(15,611)
Net cash inflows / (outflows) from operating activities	23,028	14,033

Note 20: Changes in Liabilities Arising from financing activities

	Borrowings	Lease	Other	Total
	\$000	\$000	\$000	\$000
Balance as at 1 July 2017	12,034	-	-	12,034
Net cash from / (used) in finance activities	(4,421)	-	-	(4,421)
Changes in fair values	-	-	-	-
Other non-cash changes	358	-	-	358
Balance as at 30 June 2018	7,970	-	-	7,970
Net cash from / (used) in finance activities	(1,871)	-	-	(1,871)
Changes in fair values	-	-	-	-
Other non-cash changes	296	-	-	296
Balance as at 30 June 2019	6,395	-	-	6,395

1 July 2017 – 30 June 2018:

Position	Date Appointed	Short Term Employee Expenses		Long Term Employee Expenses	Post Employment Expenses	Termination Benefits	Total Expenses
		Monetary	Non-Monetary				
		\$	\$	\$	\$	\$	\$
Board Chair	12/10/2012	110,080			10,458		120,538
Board Member	12/10/2012	82,560			7,843		90,403
Board Member	12/10/2012	62,567			7,977		70,544
Board Member	12/10/2012	62,567			5,944		68,511
Board Member	12/10/2012	70,100			6,659		76,759
Total remuneration		387,874	-	-	38,881	-	426,755

b) Key executive management personnel

The following details for key executive management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of the Regulator during 2018-19.

Position	Responsibilities	2017-18	Date Appointed	End Date
		Contract Classification		
Chief Executive Officer	Accountable to the Board of Directors for the overall management and operation of the Regulator.	Common law contract	19/05/2014	
Chief Corporate Officer	Manages finance, human resources, IT, procurement & facilities, legal services, corporate governance and the projects portfolio.	Common law contract	27/08/2018	
Executive Director Statutory Compliance ⁽¹⁾	Manages statutory compliance and enforcement activities through investigation and prosecution of significant non-compliance and providing intelligence services.	Common law contract	02/01/2013	
Organisational Alignment Implementation Executive ⁽¹⁾	Manages the implementation of the new functional model and organisational structure.	Common law contract	27/01/2015	
Executive Director Safety Standard & Assurance ⁽¹⁾	Manages safety standards, vehicle safety & performance, safety systems & assurance, and accreditation.	Common law contract	23/02/2015	
Executive Director Freight & Supply Chain Productivity ⁽¹⁾	Manages the heavy vehicle access policy, freight & supply chain and performance based standards.	Common law contract	07/10/2013	
Executive Director Strategy & Stakeholder Relations ⁽²⁾	Manages strategy and planning, operational agreements, policy and planning, intergovernmental relations, industry engagement and communications.	Common law contract	16/03/2015	27/07/2018
Executive Director Corporate Affairs ⁽¹⁾	Manages intergovernmental relations and communications.	Common law contract	14/01/2019	
NST Program Executive ⁽¹⁾	Manages the national services transition projects.	Common law contract	30/07/2018	
Chief Operations Officer ⁽¹⁾	Manages the effectiveness of the operational processes and transactions for customers and service users of the Regulator. Accountable for the operational safety and compliance functions across the Regulator.	Common law contract	04/03/2019	

⁽¹⁾ In September 2018, the Board endorsed a new organisation structure that had been designed to better prepare the Regulator to meet its future commitments and demands. The new structure provides clear lines of accountability and responsibility for internal and external service delivery and will ensure that the Regulator's functions are appropriately aligned to respond to future requirements.

⁽²⁾ The Manager Industry Engagement was appointed Acting Executive Director Strategy and Stakeholder Relations during the period 27 July 2018 – 11 January 2019.

c) Remuneration expenses

Remuneration expenses for key executive management personnel comprise the following components:

Short term employee expenses which include:

- Salaries, allowances and leave entitlements earned and expensed for the entire year, or for that part of the year during which the employee occupied the specific position
- performance payments recognised as an expense during the year
- non-monetary benefits - consisting of fringe benefit tax applicable to the benefit.

Long term employee expenses include amounts expensed in respect of long service leave entitlement earned.

Post employment expenses include amounts expensed in respect of employer superannuation obligations.

Termination benefits are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payment in lieu of notice on termination, regardless of the reason for termination. This includes the value of redundancy payments.

Total expenses includes the base and non-monetary benefits, long term employee benefits and post employment benefits.

	Short term employee expenses		Long term employee expenses	Post employment expenses	Termination benefits	Total expenses
	Monetary	Non-monetary				
	\$	\$	\$	\$	\$	\$
1 July 2018 – 30 June 2019	1,909,093	15,576	394,790	164,319	-	2,483,779
1 July 2017 – 30 June 2018	1,778,094	17,741	351,025	150,473	-	2,357,903

d) Performance Payments

No Key Management Personnel remuneration packages provided performance or bonus payments.

Note 22: Commitments for expenditure

(a) Non-cancellable operating lease

Future minimum rentals (inclusive of anticipated GST) payable under non-cancellable operating leases at reporting date are as follows:

	2019	2018
	\$000	\$000
Not later than one year	1,635	1,516
Later than one year and not later than five years	10,251	2,627
Later than five years	-	-
Total	11,886	4,143

The operating lease relates to office accommodation and includes escalation.

(b) Support and maintenance expenditure commitments

The Regulator's ICT contracted systems support and maintenance commitments as at reporting date are as follows:

Not later than one year	1,601	1,509
Later than one year and not later than five years	1,104	2,705
Total	2,705	4,214

Note 23: Contingencies

Financial guarantees

A financial guarantee is in place with respect of the lease for office accommodation. The Regulator has a facility of \$1,450,000 with the Commonwealth Bank of Australia Ltd of which the following guarantee (\$1,132,994.50) has been issued:

- AMP Capital Investors LTD (lease for Level 3 and part of 4, 76A Skyring Terrace, Newstead QLD, 4006) - \$799,684.49
- AMP Capital Investors LTD (lease for Level 1 and 2, 76A Skyring Terrace, Newstead QLD, 4006) - \$333,310.01

Guarantees are not recognised in the Statement of Financial Position as the probability of default is remote. Financial guarantee contracts are measured in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

Note 24: Agency transactions

Accounting policy - Agency transactions

Fees received by the Regulator from participating state and territory government agencies acting under temporary access delegation arrangements, or under service agreements, are disclosed on the basis of the value of the consideration received. Specifically, these relate to fees received for access permit fees and national work diaries with amounts to be returned in full to the providing government agency. Such transactions have been assessed as administrative in nature and amounts received are not recognised as either revenue or expense but eliminated within the accounts. Amounts outstanding as at reporting date, representing monies received but not yet returned are also eliminated from the cash balance and the corresponding amount payable and have been separately disclosed in the notes to financial statements for information only.

a) National work diary fees

In accordance with service agreements established, the supply and sale of work diaries have been undertaken by participating state and territory government road agencies on behalf of the Regulator.

2019	Fees Received	Fees Paid	Payable at 30/06/2019
National work diary fees	\$000	\$000	\$000
VicRoads (Vic)	-	1,206	-
Total national work diary fees	-	1,206	-

2018	Fees Received	Fees Paid	Payable at 30/06/2018
National work diary fees	\$000	\$000	\$000
VicRoads (Vic)	1,097	1,032	1,097
Total national work diary fees	1,097	1,032	1,097

Disclosure - Agency transactions

Amounts reported in relation to work diary and access permit fees transferred by government road agencies to the Regulator represent the full value of the transfer of funds received and have not been separately audited by the Regulator. The Regulator has determined that this transfer of funds is administrative in nature and the risks and rewards of the revenue remain with the government road agency.

As funds transferred have been returned in full, either during the period or in full after the reporting date, without deduction for margin or commission, these amounts have not been recognised by the Regulator as either revenue or expense in the Statement of Profit or Loss and Other Comprehensive Income. The total amount for work diary and access permit fees payable at reporting date has been deducted from the available cash at bank balance. This treatment is consistent with prior financial reporting periods.

Note 25: Events occurring after balance date

On the 3rd August 2019, the Regulator entered into a five year lease for a 799sqm office accommodation on level 4 Gasworks Building. This will add approximately \$3m to Regulator's operating lease commitment in the next financial year.

The transition of services from VicRoads, and the remaining jurisdictions in the next few years increases the potential unfunded liabilities that will be assumed by the NHVR as part of transition. Additionally, the high set up costs in the transition phase increases the need to maintain adequate reserves to fund these additional costs and liabilities.

Other than the above information, the Board of the Regulator is not aware of any other events subsequent to 30 June 2019 that could materially affect the financial statements as presented.

Note 26: Financial instruments

Accounting policies - Financial instruments

Recognition and derecognition

Financial assets and liabilities are recognised in the Statement of Financial Position when the Regulator becomes party to the contractual provisions of the financial instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

"Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

In the periods presented the company does not have any financial assets categorised as FVOCI or FVTPL.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Impairment of financial assets

AASB 9 replaces the 'incurred loss' model in AASB 9 with an 'expected credit loss' (ECL) model. The new impairment model applies to the Regulator in relation to financial assets classified at amortised cost, being the trade receivables. Based on the Regulator's assessment of historical provision rates, there is no material financial impact on the impairment provisions on adoption of this standard and no adjustment to retained earnings is required. For the current period, the Regulator has elected to measure loss allowances on trade receivables using a life-time expected loss model which is measured based on historical credit loss experience.

Classification and measurement of financial liabilities

The Regulator's financial liabilities include borrowings, trade and other payables. Borrowings are initially recognised at fair value, plus any transaction costs directly attributable to the borrowings, then subsequently held at amortised cost.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method, except for financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss. All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash and cash equivalents include cash on hand, cash and cheques received but not banked at year end, and deposits held at call with financial institutions.

(a) Categorisation of financial instruments

The Regulator has the following categories of financial assets and financial liabilities:

	Note	2019	2018
Category		\$000	\$000
Financial assets			
Cash and cash equivalents	-	53,726	39,662
Trade and other receivables	12	15,378	13,440
Total		69,104	53,102
Financial liabilities			
Trade payables	16	3,684	2,960
Loan liabilities	17	6,395	7,970
Total		10,079	10,931

(b) Credit risk exposure

The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the gross carrying amount of those assets inclusive of any provisions for impairment. No collateral is held as security relating to the financial assets held by the Authority.

The following table represents the Regulator's maximum exposure to credit risk based on contractual amounts net of any allowances:

	Note	2019	2018
Category		\$000	\$000
Maximum exposure to credit risk			
Category			
Cash and cash equivalents		53,726	39,662
Trade receivables	12	14,367	10,151
Total		68,093	49,813

Disclosure – Credit risk exposure

No collateral is held as security and no credit enhancements relate to financial assets held by the Regulator.

No financial assets and financial liabilities have been offset and presented net in the Statement of Financial Position.

No financial assets have had their terms renegotiated so as to prevent them from being past due or impaired, and are stated at the carrying amount as indicated.

(c) Liquidity risk

The Regulator is exposed to liquidity risk in respect of its payables and borrowings from the participating state and territory Governments.

The following table sets out the liquidity risk of the financial liabilities held by the Regulator. It represents the contractual maturity of financial liabilities, calculated based on cash flows relating to the repayment of the principal and interest amounts at balance date.

Financial liabilities	2019 Payable in			Total
	<1 year	1-5 Years	>5 Years	
	\$000	\$000	\$000	\$000
Loan repayments				
Interest bearing government loans	2,340	4,789	-	7,129
Non-interest bearing government loans	-	-	-	-
Total loan repayments	2,340	4,789	-	7,129
Trade and other payables	3,684	-	-	3,684
Total	6,024	4,789	-	10,812

Financial liabilities	2018 Payable in			Total
	<1 year	1-5 Years	>5 Years	
	\$000	\$000	\$000	\$000
Loan repayments				
Interest bearing government loans	1,871	7,129	-	9,000
Non-interest bearing government loans	-	-	-	-
Total loan repayments	1,871	7,129	-	9,000
Trade and other payables	2,960	-	-	2,960
Total	4,832	7,129	-	11,960

(d) Market risk

The Regulator does not trade in foreign currency and is not exposed to commodity price ranges. The Regulator is only exposed to interest rate risk through cash deposited in interest bearing accounts.

(e) Interest rates sensitivity analysis

Financial instrument	Carrying amount	2019 Interest Rate Risk			
		-1%		+1%	
		Profit	Equity	Profit	Equity
	\$000	\$000	\$000	\$000	\$000
Cash and cash equivalent	53,726	20,688	65,580	21,762	66,655
Potential impact		(537)	(537)	537	537

Financial instrument	Carrying amount	2018 Interest Rate Risk			
		-1%		+1%	
		Profit	Equity	Profit	Equity
	\$000	\$000	\$000	\$000	\$000
Cash and cash equivalent	39,662	9,973	44,496	10,767	45,289
Potential impact		(397)	(397)	397	397

Disclosure – Interest rates

Interest rate exposure only relates to interest earning on cash balances. As interest bearing loan liabilities are at fixed interest rates, there is no further interest rate risk exposure.

(f) Fair value

The carrying amounts and fair values of interest and non-interest bearing liabilities at balance date are:

Year ended 30/06/2019	2019	
	Carrying amount	Fair value
	\$000	\$000
Interest bearing government loans	6,395	6,395
Non-interest bearing government loans	-	-
Total	6,395	6,395

Year ended 30/06/2018	2018	
	Carrying amount	Fair value
	\$000	\$000
Interest bearing government loans	7,970	7,970
Non-interest bearing government loans	-	-
Total	7,970	7,970

Disclosure – Fair value

None of these borrowings are readily traded on organised markets in standardised form.



Certificate of National Heavy Vehicle Regulator for the period 1 July 2018 to 30 June 2019

These general purpose financial statements have been prepared pursuant to section 693 of the *Heavy Vehicle National Law Act 2012* (the Act) and other prescribed requirements. In accordance with section 693 of the Act we certify that in our opinion:

- (a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- (b) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of National Heavy Vehicle Regulator for the period 1 July 2018 to June 30 2019 and of the financial position of the Regulator at the end of that period.

4 September 2019

A handwritten signature in black ink, appearing to read 'Duncan Gay'.

The Hon Duncan Gay
BOARD CHAIR

A handwritten signature in black ink, appearing to read 'Sal Petrocitto'.

Sal Petrocitto
CHIEF EXECUTIVE OFFICER

Independent Auditor's Report To the Board of the National Heavy Vehicle Regulator

Report on the Financial Report

Opinion

We have audited the accompanying financial report of National Heavy Vehicle Regulator (the entity), which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the certificate given by the Chief Executive Officer and the Chair.

In our opinion the financial report of National Heavy Vehicle Regulator is in accordance with the *Heavy Vehicle National Law Act 2012*, including:

- a) Giving a true and fair view of the entity's financial position as at 30 June 2019 and of its performance for the year ended on that date; and
- b) Complying with Australian Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. Our responsibilities under those standards are further described in the Auditor's Responsibility section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Other Information

Other information is financial and non-financial information in the annual report of the entity which is provided in addition to the Financial Report and the Auditor's Report. The Board are responsible for Other Information in the annual report.

The Other Information is expected to be made available to us after the date of the Auditor's Report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, the auditor does not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information in the Financial Report, and based on the work we have performed on the Other Information that we obtained prior the date of this Auditor's Report we have nothing to report.

Other Matter – Electronic presentation of the Audited Financial Report

It is our understanding that National Heavy Vehicle Regulator intends to publish a hard copy of the audited financial report and audit report for members, and to electronically present the audited financial report and audit report on its web site. When information is presented electronically on a web site, the security and controls over information on the web site should be addressed by National Heavy Vehicle Regulator to maintain the integrity of the data presented. The examination of the controls over the electronic presentation of audited financial information on the entity's web site is beyond the scope of the audit of the financial report. Responsibility for the electronic presentation of the financial report on the entity's web site is that of the governing body of National Heavy Vehicle Regulator.

Boards' Responsibilities for the Financial Report

The Board of the entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Heavy Vehicle National Law Act 2012* and for such internal control as the Board determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board are responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using a going concern basis of accounting unless the Board either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our responsibility is to express an opinion on the financial report based on our audit. Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individual or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Boards' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report

or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PKF BRISBANE AUDIT



Cameron Bradley
Partner

4 September 2019
Brisbane



APPENDICES

APPENDIX A: HVNL REPORTING REQUIREMENTS

Under s.693 of the HVNL, the NHVR must provide responsible Ministers with an annual report within three months of the end of each financial year. The report must include the following matters:

HVNL reporting requirements	Reference	Pages
Financial statements	s.693(2)(i)	46-61
Statement of actual performance against the National Performance Measures (Standards and Indicators) outlined in the current corporate plan	s.693(2)(i)	34-37
Statement of exceptions where the National Performance Measures (Standards and Indicators) were not achieved	s.693(2)(ii)	34-37
Statement of trend analysis relating to performance measured against the National Performance Measures (Standards and Indicators)	s.693(2)(iii)	34-37
Statement of the outcome of consultation strategies and activities, including a summary of industry comments	s.693(2)(iv)	6-9, 17-18, 20-21, 23-24, 27, 29, 31, 36, 67
Statement of the achievements attained in implementing, and the challenges encountered in implementing, the Regulator's objectives stated in the current corporate plan	s.693(2)(v)	6-9, 12-37
Statement of the achievements attained in the exercise of the Regulator's functions	s.693(2)(vi)	6-9, 12-37
Statement of arrangements in place to secure collaboration with state and territory agencies and the effectiveness of those arrangements	s.693(2)(vii)	6-9, 18, 20, 23-24, 29-31
Statement indicating the nature of any reports requested by the responsible Ministers under s.694	s.693(2)(viii)	39
Other matters required by the national regulations	s.693(2)(ix)	-

APPENDIX B: OPERATING STATISTICS

Access operations

Table A.1 Access permit applications and turnaround times

	2018-19	2017-18	2016-17	2015-16	2014-15
Applications received					
Applications total ¹	68,013	55,496	-	-	-
- Single applications from customers	41,960	33,365	23,335	22,824	14,800
- Generated applications for multi-route renewals	26,053	22,131	-	-	-
Application assessment					
Total applications completed ²	67,566	53,525	-	-	-
- Single applications from customers	41,693	32,059	10,999	12,239	9,233
- Generated applications for multi-route renewals	25,873	21,466	-	-	-
Applications refused	2,749	1,649	1,755	1,849	1,026
Applications delegated	1,876	6,861	7,947	4,554	1,129
Applications not required ³	28,682	17,908	-	-	-
- Single applications from customers	16,100	7,644	3,651	4,005	2,522
- Generated applications for multi-route renewals	12,582	10,264	-	-	-
NHVR processing time - average days	4.67	7.11	5.75	6.59	5.38
Overall end-to-end time - average days	18.59	18.89	33.76	31.48	25.36
Road manager consents					
Received within 28 days					
Local government - consents	52,323	39,796	14,974	14,249	10,718
Local government - average days turnaround	5.51	5.2	7.9	7.61	7.09
State/territory - consents	34,039	25,123	5,642	6,147	7,765
State/territory - average days turnaround	5.01	4.37	8.55	11.33	8.7
Received after 28 days					
Local government - consents	4,141	3,267	1,391	904	1,332
Local government - average days turnaround	67.38	60.23	67.59	57.54	59.98
State/territory - consents	3,035	3,126	1,125	995	926
State/territory - average days turnaround	67.84	66.83	75.21	67.58	65.09

Table A.2 Total pre-approvals by participating road managers as at 30 June⁴

State/ territory	2018-19		2017-18		2016-17		2015-16		2014-15	
	Total	Impacted road managers	Total	Impacted road managers						
ACT	13	1	10	1	1	1	5	1	3	1
NSW	641	97	588	92	43	30	409	87	227	69
QLD	392	58	414	77	47	31	230	71	72	28
SA	350	49	273	46	1	1	91	22	80	23
TAS	125	28	119	29	45	25	113	32	50	24
VIC	595	85	621	84	47	40	278	70	216	51
Other ⁵	310									
Total	2,426	318	2,025	329	1,669	128	1,126	283	648	196

1 Includes NHVR-generated cases from renewals.

2 Permit applications completed, refused, delegated or closed.

3 Includes cases withdrawn, non-responsive, duplicated or closed without a decision.

4 Approvals from a road manager to the NHVR to issue a permit without a formal consent via a pre-approval or a pending gazette.

5 Additional pre-approvals as a consequence of the National Class 1 Agricultural Vehicle and Combination Notice.



NHVAS

Table A.3 NHVAS applications by state/territory

	2018-19		2017-18		2016-17		2015-16		2014-15	
	Created	Closed								
NSW	10,685	10,674	10,011	10,057	8,536	8,426	7,725	7,693	6,645	6,668
NT	235	232	269	274	277	275	273	273	192	198
QLD	8,573	8,557	8,646	8,703	7,761	7,657	7,042	7,028	6,159	6,210
SA	5,614	5,604	5,452	5,487	4,663	4,617	4,454	4,436	3,984	4,014
TAS	856	851	588	599	671	663	527	525	421	422
VIC	7,913	7,879	7,785	7,836	6,519	6,435	5,714	5,693	5,176	5,196
WA	18	18	4	4	0	0	0	0	0	0
Total	33,894	33,815	32,755	32,960	28,427	28,073	25,735	25,648	22,577	22,708

Table A.4 Total accredited operators, accredited operators by module and nominated vehicles

	2018-19	2017-18	2016-17	2015-16	2014-15
Number of accredited operators					
Accredited operators	7,259	6,946	6,607	6,188	6,232
Accredited operators by module					
Mass	6,052	5,726	5,312	4,867	4,688
Maintenance	3,285	3,075	2,899	2,774	2,705
Basic Fatigue Management	2,303	2,222	2,073	1,975	1,914
Advanced Fatigue Management	49	46	47	44	41
Nominated vehicles					
Mass	41,912	39,443	36,308	33,379	30,945
Maintenance	112,018	106,763	99,421	95,749	92,611

Table A.5 Total accredited operators, accredited operators by module and nominated vehicles by state/territory as at 30 June 2019

	NSW	NT	QLD	SA	TAS	VIC	WA	Total
Number of accredited operators								
Accredited operators	2,017	30	1,471	1,427	188	2,114	12	7,259
Accredited operators by module								
Mass	1,657	5	1,086	1,143	184	1,975	2	6,052
Maintenance	972	30	900	1,036	16	321	10	3,285
Basic Fatigue Management	878	13	537	274	42	552	7	2,303
Advanced Fatigue Management	10	1	30	5	0	3	-	49
Nominated vehicles								
Mass	12,282	280	10,030	5,047	1,466	12,797	10	41,912
Maintenance	33,083	1,761	39,611	18,787	423	18,294	59	112,018

PBS

Table A.6 PBS vehicle design and approval applications

	2018-19		2017-18		2016-17		2015-16		2014-15	
	Received	Approved								
Vehicle design applications ⁶	471	413	387	387	392	392	357	357	389	389
Vehicle approval applications	1,632	1,615	1,486	1,466	1,258	1,249	882	882	639	639

Table A.7 PBS vehicle design applications by vehicle type

Vehicle type	2018-19	2017-18	2016-17	2015-16	2014-15
A-double	128	112	96	74	61
B-double	62	56	39	70	54
Bus	2	3	0	3	2
Other	6	7	5	8	4
Prime mover and semi	99	44	74	64	80
Road train	10	12	12	19	28
Truck and dog	164	153	166	119	160
Total	471	387	392	357	389

Table A.8 Vehicles certified under the PBS framework as at 30 June

	2018-19	2017-18	2016-17	2015-16	2014-15
Individual units ⁷	7,345	7,344	5,281	3,818	3,762
Vehicle combinations ⁸	1,720	1,741	1,403	914	894

⁶ Total number of new applications, amendments and variations.

⁷ Truck, trailer or dolly.

⁸ Number of approved combinations relating to individual units.

Vehicle Standards

Table A.9 Vehicle Standards applications and approvals

	2018-19			2017-18			2016-17			2015-16			2014-15		
	Received	Finalised	Issued												
Vehicle Standards exemption (permit)	333	340	154	411	384	226	452	390	238	598	605	452	388	379	434
In-principle support	388	387	234	382	356	293	290	256	222	303	245	220	404	368	297
Modifications	32	31	25	62	52	46	21	16	18	14	11	8	15	9	4

Notices

Table A.10 Notices of exemption or authorisation made under the HVNL

	2018-19	2017-18	2016-17	2015-16	2014-15
Access	80	18	31	37	9
Vehicle Standards	11	3	4	8	6
Fatigue	6	2	8	6	0

Table A.11 Number of existing transitional notices made under former corresponding laws

As at 30 June 2019	As at 30 June 2018	As at 30 June 2017	As at 30 June 2016	As at 14 February 2015
5	73	79	81	143

Customer service

Table A.12 Call centre activity

Task	2018-19	2017-18	2016-17	2015-16	2014-15
Calls received by call centre	59,897	60,260	53,038	55,027	52,332
Grade of service - % of calls answered in 30 seconds or under	78	73	70	78	83
Average handling time per call - minutes:seconds	6:13	6:14	5:48	4:24	5:08
% of calls transferred to NHVR	9	7	9	9	10
% of calls transferred to jurisdictions	0.5	0.17	0.01	2	1

APPENDIX C: MANAGEMENT AND ACCOUNTABILITY DATA

Regulatory and legal

Table B.1 Prosecutions under HVNL⁹

	2018-19	2017-18	2016-17
Briefs received for adjudication	484 ¹⁰	337 ¹¹	346
Total matters assessed	460	270	283
Information and summons issued	297	230	241
Ex parte leave - guilty	102	70	65
Withdrawals	50	11	26
Trials	1	0	1
Pleas	153	162	118
Total matters concluded	393	243	209

Our people

Table B.2 Workforce profile as at 30 June 2019¹²

	ELT	Senior managers	Employed under an EA	Contractor/agency	Total
Permanent	9	39	220	0	268
Temporary	0	0	43	0	43
Contractor/agency	0	0	0	42	42
Total	9	39	263	42	353

Table B.3 Employees by classification and gender as at 30 June 2019

	Female	Male	Total
Executive	2	7	9
Senior manager	7	32	39
Employees	115	148	263
Contractor/agency	18	24	42
Total	142	211	353

Table B.4 NHVR WHS performance

	2018-19	2017-18	2016-17	2015-16	2014-15
Lost time injuries	1	0	0	0	0
Medically treated injuries	3	3	9	1	1
Near misses	10	13	3	1	0
Journey to work	15	10	11	4	3
Workers' compensation claims lodged	9	3	4	0	0

Stakeholder engagement

Table B.5 Stakeholder engagement and communication activities

	2018-19	2017-18	2016-17	2015-16	2014-15
Industry updates (e-newsletter)	25	25	30	24	22
Local government updates (e-newsletter)	6	4	5	6	5
Keynote speeches and presentations	31	32	41	65	102
Media releases	69	66	56	48	31
Social media reach (Facebook and Twitter)	3,829,261	2,656,081	1,380,460	1,629,265	n/a
Stakeholder forums ¹³	16	11	15	12	13
Website hits	1,780,346	1,481,880	926,906	670,440	550,353

⁹ From July 2016, when prosecutions in South Australia transferred to the NHVR.

¹⁰ Includes 175 briefs received from SAPOL and 27 briefs received from Tasmania since January 2019.

¹¹ Includes 56 briefs received from SAPOL from January 2018.

¹² Head count.

¹³ Number of IRF, IOG, Technical Working Group and State Working Group meetings held.

APPENDIX D: SUMMARY OF COMMENTS RECEIVED FROM INDUSTRY REPRESENTATIVES DURING 2018-19

As most transport operators are small businesses, we needed to ensure we developed easy-to-understand guidance and practical tools that make it quick and easy for a business to set up a basic SMS. The SMS tools developed by the NHVR are simple to use and relevant to our business.	Julia Collins, NatRoad and Safety IOG member	Thank you so much for all your help, you have done very well in obtaining these approvals and it is highly appreciated!	Paul Neylan, LCR Group
Thanks for the info! I have been through the website and found the (SMS) documents an excellent tool to test our systems against requirements.	Peter Hill, Kreskas Bros. Transport	Thank you for such an understanding and professional approach, I hope we can work together in the future, as once the Qld transition occurs, we will have many more permits to come in the future.	
The NHVR's SMS guidance material and tools have been brilliant in supporting Coles and our supply chain partners to review our existing and respective safety management systems and reinforce our safety duty obligations under the Heavy Vehicle National Law.	David Clark, Coles National Transport Safety Manager	... what a breath of fresh air having Susana supporting/tutoring me way beyond my expectations and in her absence other members of the (Hypercare) team supported my needs with the same positivity that Susana portrayed.	Nigel Tonkin, Compliance Manager, Harvestco
I just wanted to let you know that I think I have attended every NHVR session on offer when in Melbourne and your (CoR/SMS) session was hands down the BEST I have ever been to. The information you provided and the way you provided it was second to none!	Lindy Pascoe, National Compliance Lawyer/Manager, Visy	To have such support by a dedicated team of individuals shows me that the selection of the right employees to fulfil roles is spot on. The NHVR should be proud of these folk for giving such a positive impression of their employer.	
Paul's presentation was an opportunity for the Fleet Technical Group to highlight the importance in an ongoing relationship with the NHVR and involvement in (CoR) matters affecting the emergency management sector. Paul interacted well with the group and provided thoughtful responses to questions both during the presentation and in the weeks following, via email.	Stuart Ellis, Chief Executive Officer, AFAC	I'm writing this to you to comment on the outstanding turn-around time we experienced for a PBS certification today. A job came across my desk this morning complete with a manufacturer's sign-off. This was a trailer which was identical to others in the fleet, so the paperwork was relatively straightforward from our end.	John Crawley, Bisitechniks
Currently subcontractors can print out or email details of their fleet, but having real-time access to fleet registration information allows us to put additional safety systems in place. Having all the information in one place saves time and means operators can give us the assurance that their vehicles are registered.	Craig Guthrie, National Heavy Vehicle Compliance Manager, Boral	This whole job was completed from arrival at our end to approval from your end in 2 hours and 11 minutes! (possibly a new record?)	
The NHVR Customer Portal is an improvement over the earlier systems, reducing the administrative burden of applying for permits. The addition of registrations and, in the near future, accreditations, will further increase the usefulness of the Portal.	Toll Group	I think it (the We Need Space to keep you safe campaign) is brilliant. Our people work in a public space with a whole lot of people who've never done the induction, so they need to know the space that we need and where not to go when we're turning. Anything that can be done to aid that is a good thing.	Nola Bransgrove, Branstrans, Commissioner and Deputy Chair of NTC
As the largest private organisation using the Portal, we look forward to working closely with the NHVR to realise further improvements that will increase productivity and safety.		It (the We Need Space campaign) certainly helps the industry... anything that impacts the industry impacts my business as well. They were great ads. I've shared them on social media where I could. I think the more we can get the general public to understand what it's like to be around a heavy vehicle the better.	Gordon Mackinlay, Mackinlay Transport, President National Road Freighters Association
The NHVR Portal provides us substantial savings in resourcing and time, allowing us to manage oversized permits and PBS vehicle access permits from a single interface. The advantages offered by using the Portal to manage, store and archive all documented correspondence surrounding permit applications and approvals are numerous as they are convenient.	Mark Williams, National Compliance Officer, Boral Australia	We have found the NHVR is evolving and we're certainly finding them a lot more user-friendly than initially. Initially we found them difficult enough to deal with. Now (they're) a lot more open and a lot better line of communication. And they're certainly listening to operators a lot more.	Robert Cavanagh, Managing Director, Stockmaster Cavanagh Group
With additions like the vehicle (registration) module providing the benefit of greater visibility and capacity to improve information sharing, we look forward to the coming release of NHVAS onto this great platform, and the opportunities that it will provide.			

APPENDIX E: STATUS OF PROJECTS APPROVED FOR HVSI FUNDING IN 2018-19

APPLICANT	DESCRIPTION	STATUS
Australian Livestock Markets Association	Develop a CoR user guide for saleyard owners, operators and other stakeholders.	Project start delayed pending completion of inquiry into New South Wales saleyard practices.
Ambrose Business Solutions	Modify the existing DriveAbout app to ensure it delivers comprehensive advice to drivers about safely 'sharing the road with trucks'.	Project completed on time and within budget.
Western Roads Federation	Deliver five joint industry/business events about CoR legislation across regional Western Australia and one in the Northern Territory.	Project completed on time and under budget.
Tasmanian Transport Association	Identify supply chain participants, their relationship to the transport task, their control or influence on it, and the risk to safety associated with their actions and how to manage that risk.	Detailed mapping of supply chains for three Tasmanian transport operators completed. Operator management systems assessed. WHS and CoR risk register and risk assessment tool and CoR engagement model for communicating CoR issues developed for each business.
Whiteline Television Pty Ltd	Develop a series of videos and a purpose-built website based on the 'Truckies Top Ten Tips for Sharing the Roads With Trucks'.	Project completed on time and within budget.
Grain Producers SA	Educate primary producers about their CoR obligations under the HVNL.	Project completed on time and within budget.
National Farmers' Federation	Develop guidance material to help farmers understand their CoR obligations under HVNL.	Project completed on time and within budget.
Grain Trade Australia	Educate the grain industry's small to medium enterprise sector about CoR obligations under HVNL.	Program planning and workshop training materials completed with significant progression on train-the-trainer preparation activities.
Waste Contractors and Recyclers Association of NSW	Design and deliver CoR education courses tailored for the waste and recycling industry.	Project completed on time and within budget.
Queensland Trucking Association and Port of Brisbane	Investigate the feasibility of using two safety measures to improve road safety around Australian ports and share the learnings for broader industry benefit.	Study of impacts of health and wellbeing on driver distraction, concentration and fatigue completed. Six transport operators selected to participate in a 12-month SmartCap fatigue pilot.
Australian Road Transport Suppliers Association	Develop a web-based brake calculator to assist single and multi-combination truck owners to improve the braking performance of their vehicles.	Semi-trailer and dog trailer, including rigid truck calculators, at demonstration stage. Multi-combination calculator awaiting coding.
The Crane Industry Council of Australia	Improve safety in the crane industry.	Project completed on time and within budget.
Australian Livestock and Rural Transporters Association	Establish Australia's first roadside effluent disposal facility for livestock carriers, to service up to 20,000 semi-trailer equivalent movements annually, removing up to 2,500,000 litres of effluent from the road corridor and redirecting it for productive purposes (e.g. irrigation, soil composting, worm farms, energy generation etc.)	Investigations ongoing at locations in Victoria and Queensland. Progress in Queensland delayed by roadwork costs and environmental considerations.
Transafe WA	Tour WA and NT with a prime mover and customised trailer/mobile classroom, educating people of all ages about the importance of heavy vehicles and how to safely share the road.	Supplementary project funding secured. Project commenced.
City of Greater Bendigo and Australian Trucking Association	Deliver education and behavioural change campaign to improve car driver skills, habits and hazard awareness around heavy vehicles, using 360 videos and virtual reality technology.	Deakin University appointed Lead Contractor on the #GetTruckWise Campaign, with its Cadet Virtual Reality Lab leading the innovation and education sector in creating immersive and engaging experiences.
ARRB	Build a national program based on existing elements developed by Melbourne Metro Rail Authority to deliver safe interactions between construction vehicles and vulnerable road users.	Initial scoping discussions with stakeholders completed. Development of website commenced.
NHVR	Continue staged rollout of the NSCN.	Eleven cameras installed since funding first received in Round 1 in 2016-17.

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LIST OF ABBREVIATIONS

AFCA	Australian Forest Contractors Association
AFM	Advanced Fatigue Management
ALC	Australian Logistics Council
ARRB	Australian Road Research Board
ATA	Australian Trucking Association
ALRTA	Australian Livestock and Rural Transporters Association
ARTSA	Australian Road Transport Suppliers Association
CICA	Crane Industry Council of Australia
CoR	Chain of Responsibility
ELT	Executive Leadership Team
EWD	Electronic Work Diary
HVCRL	Heavy Vehicle Confidential Reporting Line
HVNL	Heavy Vehicle National Law
HVSI	Heavy Vehicle Safety Initiative
IOG	Industry Operator Group
IRF	Industry Reference Group
NEVDIS	National Exchange of Vehicle and Driver Information System
NHVAS	National Heavy Vehicle Accreditation Scheme
NHVR	National Heavy Vehicle Regulator
NSCN	National Safety Camera Network
NST	National Services Transition
NTC	National Transport Commission
OSOM	Oversize overmass
PBS	Performance Based Standards
QTA	Queensland Trucking Association
RAVRAT	Restricted Access Vehicle Route Assessment Tool
SCRP	Safety and Compliance Regulatory Platform
SMS	Safety Management System
VSB6	<i>Vehicle Standards Bulletin 6</i>
WHS	Workplace Health and Safety



*Safety and Compliance Officer
David Clemete on the job.*



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