

Audit Framework for National Heavy Vehicle Accreditation Scheme (NHVAS) Business Rules & Standards

NHVAS Audit Framework and Matrices

The NHVAS Audit Framework applies a common set of principles, processes and audit methodologies for the conduct, documentation and reporting of NHVAS audits. It also provides guidance relating to the conduct of an NHVAS approved auditor registered with the NHVR.

The review of the NHVAS Audit Framework along with other scheme enhancements has led to the release of a revised version of the document, which is now in effect.

The NHVAS Audit Framework provides suitable guidance to NHVAS approved auditors when conducting audits of the Maintenance, Mass and the Fatigue Management modules.

An NHVAS audit

- is a systems audit
- verifies objective evidence related to an operators' management systems;
- assesses how successfully the operators' systems have been implemented and operated;
- determines the effectiveness of the operators' systems in meeting relevant NHVAS Standards;
- provides evidence concerning the mitigation of problem areas; and
- identifies opportunities for improvements in the operator's management system.

An audit is an effective way to ensure the operators' management system meets the relevant standards and is continuously improved over the life of the business. It aims to ensure that only operators, who demonstrate an appropriate level of compliance with the NHVAS Business Rules and Standards, achieve and maintain accreditation under the NHVAS.

Business Rules & Standards

State Transport Ministers have endorsed changes to the NHVAS Business Rules & Standards that encourage further alignment with Safety Management System principals as well adding clarifications to avoid misunderstandings.

Business Rules changes

- Assessment criteria as Fit and Proper to participate in the scheme added
- Timeframe before being able to reapply after accreditation has been refused or cancelled is 6 months
- Inclusion for operators to report significant crash or incident as a Notifiable Occurrence
- Owner of a sub-contractor vehicle has the right to remove the vehicle from an accreditation
- AFM Business Rules are included with the business rules for all other modules.
- Audit completion notification process removed.

Business Rules amendments

- Registration status for vehicles to be nominated clarified- Vehicles must be registered to be nominated
- Clarification of the criteria to be able to be granted the maximum 3 years of accreditation added.
- References to FERG replaced with advice from jurisdictions and 3rd parties
- FERG requirements replaced with ability for NHVR to seek external specialist advice

Changes to the Standards

- Vehicles declared safe not "roadworthy" after the maintenance daily check
- Tow couplings to be checked daily
- Vehicles to be inspected by a qualified person annually
- Register of infringements & defects to be kept
- Mass management nominated vehicle loaded mass to be verified twice per year
- AFM & BFM use the same seven (7) standards
- Ensuring the vehicle as a workplace meets with workplace safety legislation
- Vehicle statement of compliance no longer required to be carried

NHVR approved documents

To ensure consistency in reporting, evidence gathered during the audit is to be recorded on the NHVAS audit matrices and results are recorded on the NHVAS Audit Summary Report template. It is a condition of registration with the NHVR as an NHVAS approved auditor that auditors use this documentation when conducting audits under the NHVAS.

Approved documents updated

The Audit Matrix is the primary on-site audit tool under the NHVAS. It provides a template for the auditor to systematically record evidence about the operator's compliance with the relevant accreditation standards.

Auditors must use the relevant Audit Matrix approved and published by the NHVR when undertaking an NHVAS audit and complete all relevant fields in the Audit Matrix.

Once completed, auditors must retain a copy of the Audit Matrix for a period of three (3) years from the date of the audit.

Each matrix is to be given a document identifier (chosen by the auditor) and the identifier is included within the NHVAS Audit Summary Report so the NHVR can request the specific evidence gathered during an audit if required.

Updated audit matrices and NHVAS Audit Summary Report templates have been developed and are available on the NHVR website.

Approved documents to be used when auditing;

- Maintenance management audit matrix & audit summary report
- Mass management audit matrix & audit summary report
- Fatigue management audit matrix & audit summary report.

Nomination to conduct an NHVAS audit

Operators must submit a Compliance Audit Application (CAA) using the NHVR Portal to nominate the selected auditor for approval by the NHVR.

The CAA must be submitted by an operator at least 28 days prior to the scheduled audit.

The NHVR may request the operator to select a different auditor or the NHVR may nominate an auditor to undertake the audit.

An email confirming that the NHVR has approved the chosen auditor is provided to the operator and the nominated auditor. Any audit conducted without receiving this approval may be rejected.

To be approved to conduct an audit the auditor must;

- Have current NHVR registration as a NHVAS approved auditor
- Not have conducted more than two consecutive audits of the same module
- Not act on behalf of the Operator's accreditation
- Not have conflicts of interest that may affect the result of the audit

Completing an Audit

NHVAS approved auditors must record a summary finding for all NHVAS audits on the current NHVAS Audit Summary Report template that is approved and published by the NHVR.

The NHVAS Audit Summary Report is the critical document that reports whether the operator is compliant or non-compliant with the standards of the relevant accreditation module.

The NHVAS Audit Summary Report references the audit matrix compiled during the audit using an ID numbering or lettering system established by the auditor. Where necessary the NHVR will request the audit matrix to be supplied, and the ID number used on the audit report will be the reference for the NHVR to use when requesting the required matrix.

Non-conformances and Corrective Action Requests

An operator is considered as either compliant or non-compliant with a standard and the report is completed with a "V" verifying conformance or "NC" representing non-conformance which indicates that some corrective action is required.

Where corrective action is required the auditor issues a "Corrective Action Request" (CAR) on which the auditor details the non-conformance

identified and the operator details the action that will be undertaken to rectify the non-conformance.

In some circumstances, the corrective action taken in response to the CAR may be simple and the non-conformance may be rectified by the operator at the time of the audit (or soon after) thus providing the necessary evidence for the auditor to close the CAR “Unconditionally”.

Alternatively where an operator may need some additional time to implement the corrective actions, if the auditor is of the opinion the action that will be taken is suitable to remedy the non-conformance the CAR can be closed on the condition that the proposed actions are completed by the agreed date.

Unconditional CARs

For a non-conformance remedied immediately at the time of audit (or soon after) the CAR is signed off by both the auditor and operator and closed out. The CAR is closed UNCONDITIONALLY. I.e. There are no further conditions that must be met for the CAR to be considered finalised.

Conditional CARs

For non-conformances that cannot be immediately addressed, an agreed date for the completion is documented on the CAR. Where the operator proposes a corrective action that, in the opinion of the auditor, would remedy the non-conformance, when implemented, the CAR is signed off by both the auditor and operator and is “CONDITIONALLY” closed.

I.E. The CAR has been closed on the condition that the operator fulfils the proposed corrective action by the agreed date.

In this instance closing the CAR does not mean that the non-conformance has been rectified but rather, it signifies that the operator has agreed to undertake remedial action by a certain date, and the auditor is satisfied that the action planned if implemented by the agreed date will be sufficient to remedy the non-conformance.

Auditors follow up on conditionally closed CARs to ensure the proposed action has been completed as agreed. Auditors are not required to revisit the place of audit to confirm completion of the corrective action but must satisfy themselves that

the proposed corrective action has been completed.

Operator fails to implement agreed corrective action

Where the operator fails to provide notification or evidence for a CAR that has been closed “conditionally” by the required date, the auditor must advise the NHVR by email after which the NHVR will undertake any necessary further actions on the accreditation.

Suggestions for improvement

Auditors may still provide suggestions for improvement (SFI) where they feel that although the operator is compliant with the standard it is in the best interest of the operator to improve their process to strengthen their compliance to the standard.

Auditor Code of Conduct

The Audit Framework document includes the Code of Conduct for auditors conducting NHVAS audits on behalf of the NHVR as an NHVAS approved auditor.

Once NHVR auditor registration approval has been given, the auditor is provided with an NHVR identification card and is bound by the "Auditor Code of Conduct" when conducting NHVAS audits or displaying their NHVR identification card.

The NHVR ID card provided to registered auditors is a visible representation of the connection auditors have with the NHVR and it is expected that the NHVR brand is not to be tarnished or misrepresented at any time.

Where any breach of the code of conduct is substantiated the NHVR may withdraw the auditor's registration and audits conducted by the person will no longer be accepted by the NHVR.

The code of conduct deals specifically with areas such as:

- conflict of interest;
- confidentiality;
- inducements;
- provision of false or misleading information;
- maintaining professional indemnity insurance;
- behaviour that upholds the values, the integrity and reputation of the NHVR.

The audit framework is just one avenue of guidance available to NHVAS auditors. Auditors are welcome to contact the NHVR whenever they may feel the need for clarification or further information. The work auditors complete on our behalf of the regulator is highly regarded and essential to the integrity and credibility of the scheme. With auditors conducting robust audits, the scheme will continue to be an effective tool assisting the productivity and road safety for members of the transport industry.

About the NHVR

The National Heavy Vehicle Regulator (NHVR) is Australia's dedicated independent regulator for heavy vehicles over 4.5t gross vehicle mass. The NHVR was created to administer one set of rules for heavy vehicles under the Heavy Vehicle National Law, improve safety and productivity, minimise the compliance burden on the heavy vehicle transport industry and reduce duplication and inconsistencies across state and territory borders.

For more information:

Visit: www.nhvr.gov.au
Subscribe: www.nhvr.gov.au/subscribe
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Phone: 1300 MYNHVR* (1300 696 487)

*Standard 1300 call charges apply. Please check with your phone provider.
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