



Corporate Plan 2014-2016

www.nhvr.gov.au

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Front cover image supplied by Tim Giles

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Fast facts

Doing business with the National Heavy Vehicle Regulator

The NHVR opened for business on 21 January 2013, initially managing National Heavy Vehicle Accreditation Scheme (NHVAS) accreditations and Performance-Based Standards (PBS) Scheme design and vehicle approvals, on a national basis.

5000 Over 5000 phone calls received by our national call centre

95% of phone calls to our national call centre answered in 20 seconds

3000 More than 3000 NHVAS applications completed from 21 January 2013 to 31 March 2013

65% of NHVAS applications completed from 21 January 2013 to 31 March 2013, were lodged online or via email

21,000 hits received on the NHVR website in the first three months of business

Figures correct at time of printing



Australia's heavy vehicle industry

\$18b

added to the Australian economy in the 2012 financial year by specialised road transport businesses (Australian Bureau of Statistics 2012, *Australian Industry 2010-2011*)

.5m

Half a million registered heavy vehicles (Australian Bureau of Statistics 2012, *Motor Vehicle Census, Australia, 31 January 2012*)

70%

of Australia's domestic freight is transported by road (Australian Trucking Association, *A future strategy for road supply and charging in Australia*, March 2013)

180,000

people employed Australia-wide by 50,000 specialised road freight businesses (IBISWorld, *Road Freight Transport in Australia*, August 2012)

About the NHVR

The NHVR is Australia's national, independent regulator for all vehicles over 4.5 tonnes gross vehicle mass

Australia is recognised for its highly sophisticated regulatory regime for heavy vehicles. Australia's heavy vehicle laws have evolved to apply a systemic Chain of Responsibility (CoR) across the market for transport services, while maintaining a traditional focus upon vehicles, drivers and registered operators. The laws also enable the safe use of highly productive and innovative heavy vehicles.

The National Heavy Vehicle Regulator (NHVR) is Australia's dedicated specialist national heavy vehicle regulator, charged with managing the heavy vehicle regulatory regime and delivering its full benefits to the Australian community and economy.

In August 2011, the states, territories and the Australian Government agreed through the Intergovernmental Agreement for Heavy Vehicle Regulatory Reform to establish the NHVR.

Drawing on the resources and cooperation of all its stakeholders, the NHVR will be the focal point that leads and manages Australia's national expertise and regulatory effort in:

- › vehicle safety, standards and operations
- › management of safety in a heavy vehicle operator's business
- › management of safety across logistics supply chains

- › development and delivery of efficient, responsive regulatory programs
- › facilitating the uptake of innovative and higher productivity vehicles
- › improving the consistency and clarity of the engineering, safety and economic assessments made in managing heavy vehicle access to the road network.

The NHVR recognises the importance of effective and regular consultation and strong partnerships in defining and achieving its detailed objectives in these areas. Consultation will be a core element of NHVR operations.

About this corporate plan

Under the Heavy Vehicle National Law (HVNL), each year the NHVR must present a three-year corporate plan for approval by Australia's transport ministers. These legal requirements are documented in this plan.

This first corporate plan of the NHVR takes account of general consultation undertaken during its establishment. During 2013-14, the NHVR will consult stakeholders for further input into the 2014-15 plan.



Consultation will be
a core element of
our operations

L-R: Peter Caprioli, Manager – Application Processing, in conversation with Darby Sullivan, Transport Accreditation Specialist, during an NHVAS Auditors' Forum

Message from the Chair and CEO



This first corporate plan of the NHVR represents a historic milestone for the road transport sector in Australia.

Australia-wide, our nation relies on heavy vehicles to provide our community with access to essential goods and services, to jobs and to friends and families.

Our vast geography and the nature of our major industries mean that Australia makes much greater use of road freight than many other advanced economies. In our major cities, and across and between our major regions, heavy vehicles play a vital role in public transport services.

The creation of a uniform set of national heavy vehicle laws and regulations and a single national regulator to administer those laws and regulations will provide improvements in the productivity, efficiency and safety of this vital part of the Australian economy.

It is important to acknowledge the substantial amount of hard work, goodwill and cooperation by the many stakeholders, including Commonwealth, state and territory

Ministers from all sides of politics, officials from states and territories and industry representatives that have culminated in the NHVR's establishment and commencement.

The Commonwealth, states and territories have provided essential funding to support the establishment of the NHVR. States and territories continue to implement the necessary administrative and regulatory changes to enable the NHVR to move from its Release 1 operations that commenced on 21 January 2013 to full operations at Release 2 from 1 September 2013.

The NHVR Board and NHVR organisation clearly understand that effective and ongoing consultation and engagement have been a key element in this reform and will continue to be essential for the ongoing success of the NHVR and its stakeholders.

As part of this, the NHVR Board intends to build on our existing networks of stakeholders to ensure that there is a range of advice, research and information that will assist its work and that of the NHVR organisation.

Much work will be required over the next three years to consolidate the NHVR and deliver the improvements that are sought. We look forward to working cooperatively with stakeholders to meet those challenges and to identify and respond to new opportunities to achieve the underpinning aims of this major regulatory reform.

A key focus during the corporate plan's first year of operation will be for the NHVR to work with the states and territories and industry to consolidate our partnerships, systems and operations. Our objectives are discussed in greater detail later in this corporate plan.

The corporate plan will be updated each year and there will be further opportunities for stakeholders to provide input as part of this process.

As the national regulator, the NHVR seeks to understand the industry and the market environment, to promote safety and productivity through responsive regulation, as well as education and training. In so doing, we will be consistent, fair and transparent in all of our operations. The NHVR will publish and report against National Performance Measures on an ongoing basis.

Seeking feedback on a regular basis will be a key feature of our operations.

The NHVR Board, Chief Executive Officer and staff of the NHVR are committed to the success of the national reform and are proud to be part of this historic achievement.

Handwritten signature of Bruce Baird in blue ink.

The Hon. Bruce Baird AM
(Chair)

Handwritten signature of Richard Hancock in blue ink.

Richard Hancock
(CEO)

Our board



The Hon. Bruce Baird AM
(Chair)

Bruce Baird brings extensive knowledge of the transport industry and high-level leadership qualities to his role as Chair of the NHVR Board. He is also Chairman of the Tourism and Transport Forum, a peak industry advocacy group, which gives him access to the Australia's major transport ministers and influencers. Bruce has a long and distinguished political career at both state and federal levels and has held senior roles within large corporations and government organisations. He is a former New South Wales Minister for Tourism and Roads (1993-95) and Minister for Transport (1988-95) with first-hand experience implementing significant transport reform.



Coral Taylor

Coral Taylor has more than 25 years' experience in the motorsport industry and was responsible for managing Toyota Australia's Rally Program for 18 years. Currently responsible for managing the Neal Bates Motorsport Rally Team, Coral holds a heavy vehicle driver licence and is a passionate motoring enthusiast with a strong interest in road safety. Coral is also a non-executive Director of NRMA Motoring and Services, Chair of the NRMA Policy and Advocacy Committee, and a member of the Governance, Compensation and Nomination Committee.



Peter Garske

Peter Garske is CEO of the Queensland Trucking Association, providing effective communications with all levels of government, as well as education and leadership to the heavy vehicle industry in the process of industry reform. He is a Director of the Queensland Transport and Logistics Council, a member of the Queensland Workplace Health and Safety Board, Chair of the Queensland Department of Transport and Main Roads' Heavy Vehicle Safety Forum and member of the department's Road Freight Industry Council.



Robin Stewart-Crompton

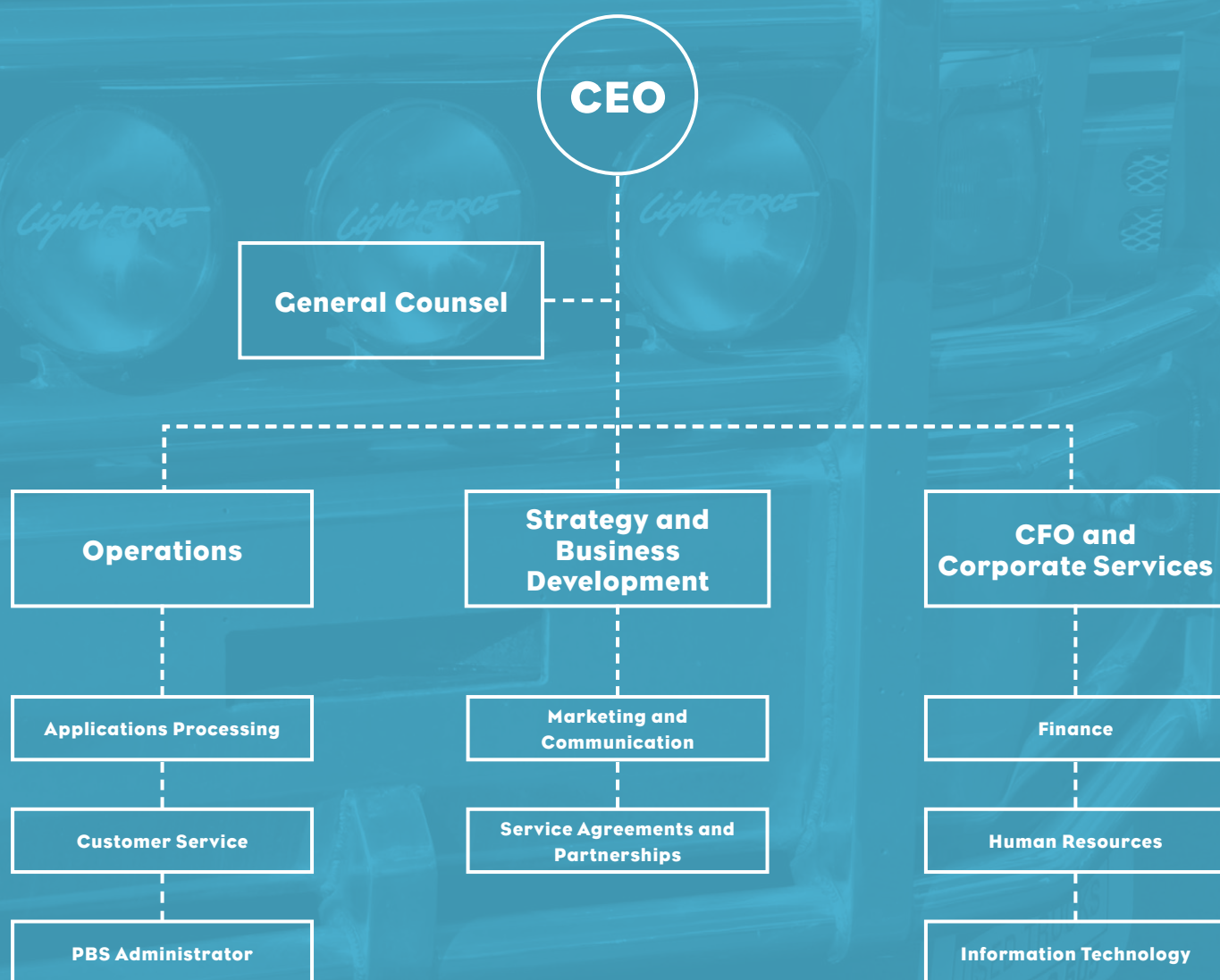
Robin Stewart-Crompton is the Director of RSC Advising Pty Ltd and is a consultant in the fields of public administration, occupational health and safety (OHS), workers' compensation and industrial relations. Robin was formerly a member and CEO of the National OHS Commission, a member of the Commonwealth Safety Rehabilitation and Compensation Commission and a senior commonwealth public servant.



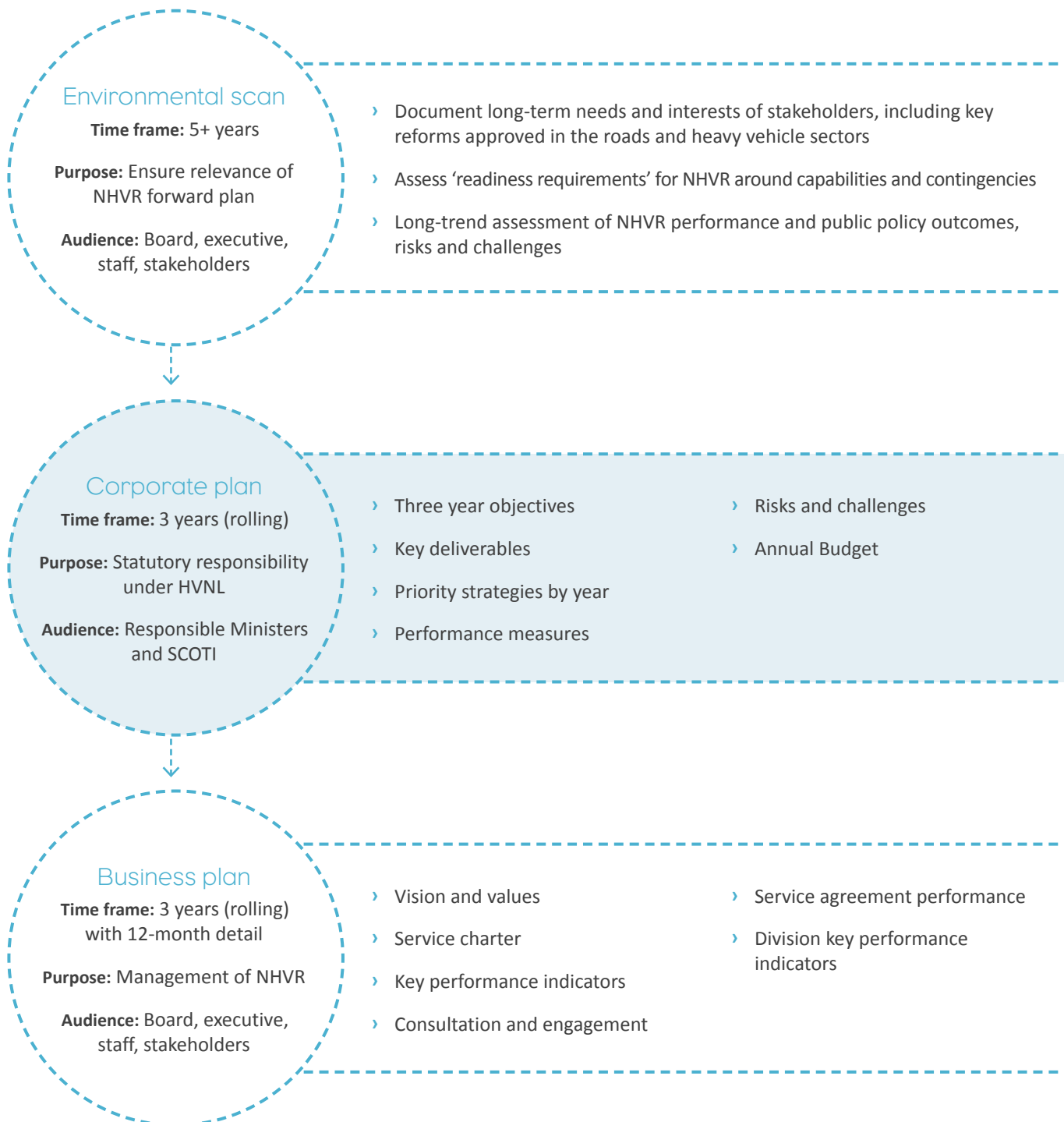
Vincent Tremaine

Vincent Tremaine is CEO of private company Flinders Port Holdings Pty Ltd. In this role he is responsible for Flinders Ports, Flinders Logistics, Flinders Adelaide Container Terminal and HydroSurvey Australia. He is Chairman of Business SA and Vice President of Ports Australia. A Certified Practising Accountant, Vincent held previous roles in finance, accounting, sales and marketing across the manufacturing, printing, publishing and advertising industries before entering the infrastructure and transport sector.

Our organisation



Planning framework





We reward operators
who make a real
commitment to safety

Objectives

Encourage and promote a safe, productive and efficient industry

The HVNL sets four objectives for the NHVR, under which the NHVR has named its initial priority deliverables.

1. Promote public safety

- › Implement flexible and safer fatigue management programs.
- › Recognise and reward businesses that make a real commitment to safety.
- › Work with industry to improve capability in managing safety, with particular attention to accreditation and Codes.
- › Develop and implement the NHVR's regulatory business systems.

2. Promote industry productivity and efficiency

- › Manage and improve access to the road network, to maximise the safe use of higher productivity vehicles and the economic contribution of public infrastructure, in partnership with industry and road managers.
- › Develop systems and resources to guide, support, and improve the expertise and effectiveness of decision-making on heavy vehicle access to the road network.

3. Encourage regulator, government and operator efficiency

- › Deliver value and regulatory efficiencies to customers, stakeholders and partners, and evaluate the impact and benefits of regulatory programs.
- › Develop a national registration system.

4. Manage impact of heavy vehicles on the environment, infrastructure and public amenity

- › Assess future demands on the road network.
- › Support and ensure consistent and professional enforcement.
- › Raise the national regulatory effort and capability in CoR and implement pro-active strategies and programs to deliver compliance assurance across selected supply chains.

Objective 1 – Promote public safety

Deliverables and strategies

KEY DELIVERABLE	COMMENCEMENT OF PRIORITY STRATEGIES		
	YEAR 1	YEAR 2	YEAR 3
Implement flexible and safer fatigue management programs	Finalise and implement the Risk Classification System (RCS) for Advanced Fatigue Management	Review and update the RCS	Continuation of established strategies
	Develop and implement initial templates for priority industry sectors	Support greater industry uptake of fatigue management	Continuation of established strategies
	Develop implementation plan for national electronic work diary (EWD)	Deliver approved implementation plan for national EWD	Support greater industry uptake of national EWD
Recognise and reward businesses that make a real commitment to safety	Assess options for regulatory and enforcement benefits for businesses that are in accreditation schemes	Implement consistent arrangements for regulatory and enforcement benefits	Continuation of established strategies
Work with industry to improve capability in managing safety, with particular attention to accreditation and Codes	Develop NHVR frameworks for recognition and approval of schemes and Codes	Implement regulatory recognition and approval of schemes and Codes	Continuation of established strategies
	Identify safety programs and products to be delivered collaboratively with industry, including examining feasibility of the Five Star rating system	Deliver safety programs and products, including any approved industry pilot of the Five Star rating system	Continuation of established strategies
	Contribute to governments' review of CoR laws	Implement business changes to support approved reforms to CoR laws	Continuation of established strategies
Develop and implement the NHVR's regulatory business systems	Develop regulatory frameworks across remaining business lines, including vehicle examiners, pilots and escorts	Continuation of established strategies	Continuation of established strategies
	Implement initial business systems across all business lines	Enhance and improve business systems and capacity for evaluation	Review and evaluate selected programs and issues

Objective 2 – Promote industry productivity and efficiency

Deliverables and strategies

KEY DELIVERABLE	COMMENCEMENT OF PRIORITY STRATEGIES		
	YEAR 1	YEAR 2	YEAR 3
Manage and improve access to the road network, to maximise the safe use of higher productivity vehicles and the economic contribution of public infrastructure, in partnership with industry and road managers	<p>Finalise and implement business systems for access management functions, including:</p> <ul style="list-style-type: none"> › access applications › reviews of decisions › mapping and public register of all access networks › interfaces with road managers 	<p>Deliver improvements in customer service and network access</p> <p>Provide stronger business systems to asset managers, improving clarity and consistency of decisions and better capturing asset and access information</p>	<p>Continuation of established strategies</p> <p>Increase ‘as of right’ (notice) access, reduce decisions overturned on review</p>
	<p>Identify future system performance and system support needs of industry and road managers</p>	<p>Identify outcomes and trends, with attention to reviews of decisions</p>	<p>Review and evaluate key access management system issues</p>
Develop systems and resources to guide, support, and improve the expertise and effectiveness of decision-making on heavy vehicle access to the road network	<p>Ministerial guidelines on access, especially for innovative and higher productivity vehicles</p>	<p>Update guidelines and enhance PBS scheme</p>	<p>Continuation of established strategies</p>
	<p>Partner with road managers and stakeholders to deliver initial resources to aid road managers and customers, including:</p> <ul style="list-style-type: none"> › case management support applications › education and technical assistance program 	<p>Partner with road managers and stakeholders to assess and improve:</p> <ul style="list-style-type: none"> › access to selected networks › take-up of innovative and higher productivity vehicles › productivity in selected supply chains 	<p>Review and evaluate:</p> <ul style="list-style-type: none"> › impact of Ministerial guidelines › PBS scheme › access and productivity outcomes
	<p>Advise stakeholders of retention of all local productivity initiatives</p>	<p>Recommend national adoption of selected local productivity initiatives</p>	<p>Continuation of established strategies</p>

Objective 3 – Encourage regulator, government and operator efficiency

Deliverables and strategies

KEY DELIVERABLE	COMMENCEMENT OF PRIORITY STRATEGIES		
	YEAR 1	YEAR 2	YEAR 3
Deliver value and regulatory efficiencies to customers, stakeholders and partners, and evaluate the impact and benefits of regulatory programs	Review methods used across Australian states and territories, and internationally, to measure performance in heavy vehicle regulation	Identify and implement enhanced performance measurement and commence data collections to support desired future performance measures	Continuation of established strategies
	Establish consultation and engagement frameworks	Continuation of established strategies	Continuation of established strategies
	Implement complete one-stop-shop functionality	Deliver improvements in service efficiency	Continuation of established strategies
	Achieve consistency or mutual recognition across remaining business lines, including: <ul style="list-style-type: none"> › inspection standards › third party vehicle assessors › defect clearance 	Implement governments' agreed approach to roadworthiness requirements	Continuation of established strategies
	Contribute to governments' review of national penalties	Implement business changes for approved reforms to penalties	Continuation of established strategies
	Establish regulatory program management framework for: <ul style="list-style-type: none"> › service agreements › baseline costs and activities › approach to evaluation, efficiency and business improvement 	Deliver improved costing and evaluation methods <ul style="list-style-type: none"> › raise cost-efficiency › evaluate cost-benefit › pricing and valuation 	Review and evaluate program management framework
	Establish NHVR development framework and future NHVR Releases	Implement effective change management via NHVR releases	Continuation of established strategies
Develop a national registration system	Develop a national registration system	Commence build of the national registration system	Implementation of a national heavy vehicle registration system

Objective 4 – Manage impact of heavy vehicles on the environment, infrastructure and public amenity

Deliverables and strategies

KEY DELIVERABLE	COMMENCEMENT OF PRIORITY STRATEGIES		
	YEAR 1	YEAR 2	YEAR 3
Assess future demands on the road network	Partner with stakeholders in analysis of current and future freight task and identify: <ul style="list-style-type: none"> › vulnerable infrastructure › productivity pinch points and safety challenges 	Partner with stakeholders in analysis of national infrastructure funding requirements Seek and obtain targeted funding	Continuation of established strategies
Support and ensure consistent and professional enforcement	Assess alignment of regulatory effort with risks to safety, environment, infrastructure and public amenity	Deliver improvements in alignment and delivery of regulatory programs	Implement review of program management framework
	Finalise and implement initial business supports and interfaces with regulatory program delivery agencies Identify future business performance and system support needs of agencies and industry	Provide stronger support, business systems and interfaces with regulatory program delivery agencies, improving clarity and consistency of operations and better capturing information	Review and evaluate business system issues
Raise the national regulatory effort and capability in CoR and implement pro-active strategies and programs to deliver compliance assurance across selected supply chains	Establish strategic framework and business capability for CoR within NHVR, including education and awareness	Initiate national CoR assurance program, in consultation and partnership with stakeholders, including:	Continuation of established strategies
	Establish strategic and tactical links with existing investigative agencies	<ul style="list-style-type: none"> › risk assessment, intelligence and target selection › pro-active audit program 	
	Review alignment between management systems authorised under accreditation and Codes, with obligations set by CoR legislation	<ul style="list-style-type: none"> › targeted and high value operations Grow market demand for compliance assurance	

Measuring our success

A full suite of National Performance Measures will be an accompanying document to the corporate plan and will be published on the NHVR website.

OBJECTIVE	NATIONAL PERFORMANCE MEASURES	
	OUTCOMES	INDICATORS
1. Promote public safety	<ul style="list-style-type: none"> › Priority strategies delivered › Increase in number of operators in accreditation schemes › Clearer identification of the number of heavy vehicle crashes by type and cause 	<ul style="list-style-type: none"> › Reduction in non-compliant operators and vehicles › Trends in enforcement actions and orders issued, by type and severity › Trends in the number of businesses participating in CoR compliance programs › Increased industry awareness of CoR responsibilities

Potential challenges and risks

- › Fatigue management reforms not fully supported by regulatory agencies or industry
- › Lack of national consistency in compliance and enforcement
- › Resource constraints on the NHVR and states and territories in raising awareness of and proactively implementing CoR at a national level
- › Independent enforcement activities not effectively aligned with benefits intended for operators in accreditation schemes and Codes

2. Promote industry productivity and efficiency	<ul style="list-style-type: none"> › Priority strategies delivered › Increased access to state and local government road network › Increased use of notices to provide access › Increased access to road network by vehicle type 	<ul style="list-style-type: none"> › Average load per vehicle › Level of use of Ministerial Guidelines and other tools to support decision-making › Consistency of access decisions with Ministerial Guidelines
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Potential challenges and risks

- › Lack of national consistency in access decision-making and non-achievement of 'same circumstance, same outcome'
- › Continuing use of permits, limiting the shift to 'as of right access' via notices
- › Inability to increase appropriate access to local government road network
- › Inaccurate application of vehicle and route assessment guidelines

OBJECTIVE	NATIONAL PERFORMANCE MEASURES	
	OUTCOMES	INDICATORS
3. Encourage regulator, government and operator efficiency	<ul style="list-style-type: none"> › Priority strategies delivered › Specification completed for a national registration system and procurement commenced › Effective consultation and engagement frameworks in place › Release 3 of NHVR scoped and developed for implementation 	<ul style="list-style-type: none"> › Customer satisfaction with NHVR › Feedback from participants in consultation and engagement activities › Tender advertised for the national registration system › Number of improvements to regulatory schemes approved by responsible Ministers

Potential challenges and risks

- › Difficulties implementing required NHVR funding arrangements
- › Changes in state or territory resources as a result of the reform may not be fully visible to industry
- › Implementation of full-cost recovery policy, (subject to Ministers' approval) may be contentious, or overshadow recognition of efficiency gains and resources savings
- › Timeframes to progress future legislative and productivity improvements

4. Manage impact of heavy vehicles on the environment, infrastructure and public amenity	<ul style="list-style-type: none"> › Priority strategies delivered › Increase in PBS-approved vehicles operating on road network › Increase in PBS-approved routes on road network 	<ul style="list-style-type: none"> › Trend in review of decisions by local government › Number of PBS applications › Extent of case management and technical support provided to local government
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Potential challenges and risks

- › Lack of consensus among stakeholders on how to assess and value environmental, infrastructure and public amenity issues
- › PBS-approved vehicles not gaining access to road network, or not gaining increased routes on the network

Annual Budget

2013/14 Annual Budget		' 000
Revenue		
Regulatory component of heavy vehicle charges (forecast)		18,700.0
Fees for services (forecast)		4,000.0
Total		\$22,700.0
Expenditure		
Salaries and labour oncosts		
Average full-time equivalents of 123 employees including an allowance for recruitment and relocation, as well as oncosts of super, payroll tax, long service leave, leave loading (if applicable), and workers' compensation insurance		12,875.1
Other employee related direct expenses		
Set up costs for new employees and an allowance for training and development		423.5
Office rent, utilities, consumables, stationery and other costs		
Lease costs, office electricity and cleaning, stationery, office equipment and other consumables		913.9
Information Communication Technology (ICT) and telecommunications		
Support agreements for data centre and NHVR software systems, software maintenance, communications links, desktop support, web hosting and telecommunication expenses		2,669.4
ICT and enterprise resource planning (ERP) outsourced support		
Cost of managed services for financial and ERP systems, and national contact centre		1,512.7
Travel and accommodation		
Travel costs, meal and accommodation expenses		350.0
Contractors		
Specialist contractor support for Release 2 and future enhancements		1,845.2
Audit		
External and internal audit expenses		425.0
Marketing and communication		
Marketing and communication collateral, advertising, events, sponsorship, website, media, education and training		572.0
Insurance		
Professional indemnity, public liability, travel, industrial special risks, directors and officers insurance policies		65.0
Financing cost		
Provision for operating lease and other commercial facilities		564.2
Corporate governance		
Board remuneration, associated travel costs and board meeting expenses		484.0
Total		\$22,700.0

The NHVR will submit budgets for 2014-15 and 2015-16 in early 2014, in coordination with the next Heavy Vehicles Charges Determination process being conducted by the National Transport Commission. The funding model contained in the Intergovernmental Agreement for Heavy Vehicle Reform will commence from 1 July 2014.



PBS aims to maximise
the safe use of higher
productivity vehicles

Image supplied by Ken Cowell

Legal requirements

Heavy Vehicle National Law Act 2012 (Qld) Chapter 12, Part 12.3, Division 2, Section 695 Corporate plans

- (1) The Regulator must, on an annual basis, prepare and give to the responsible Ministers for approval by the Ministers a corporate plan for each 3 year period.
- (2) The corporate plan must—
 - (a) outline the Regulator’s objectives for the 3 year period; and
 - (b) state how the Regulator’s objectives will be implemented during the 3 year period; and
 - (c) contain a statement outlining the National Performance Measures (Standards and Indicators), determined by the Regulator under subsection (4), for the 3 year period, including (but not limited to) annual measures for each of the 3 years specifying—
 - i. the standards expected to be complied with for each year; and
 - ii. the performance indicators proposed to be used for measuring the Regulator’s progress in implementing the Regulator’s objectives during the year; and
 - (d) identify any challenges and risks that the Regulator reasonably believes may have a significant impact, during the 3 year period, on—
 - i. the Regulator’s ability to implement the Regulator’s objectives; and
 - ii. the achievement of the object of this Law; and
 - iii. the exercise of the Regulator’s functions; and
 - (e) include the Regulator’s proposed budget for each financial year commencing within the 3 year period.
- (3) The Regulator must, by notice given to the responsible Ministers, advise the Ministers if either of the following occurs—
 - (a) the Regulator makes a significant amendment to its corporate plan;
 - (b) the Regulator becomes aware of an issue that will have a significant impact on its ability to implement the objectives stated in the corporate plan.
- (4) The Regulator must publish documentation for National Performance Measures on the Regulator’s website and determine National Performance Measures (Standards and Indicators) in accordance with the documentation.

Common terms

CoR	Chain of Responsibility
Heavy vehicle	Vehicle with a gross vehicle mass of 4.5 tonnes or more
HVNL	Heavy Vehicle National Law
NHVAS	National Heavy Vehicle Accreditation Scheme
NHVR	National Heavy Vehicle Regulator
PBS	Performance-Based Standards
SCOTI	Standing Council on Transport and Infrastructure

For more information

- Tel** 1300 MYNHVR (1300 696 487)
7am to 7pm
Standard 1300 call charges apply
(please check with your phone
provider).
- Post** National Heavy Vehicle Regulator
PO Box 492
Fortitude Valley Qld 4006
- Visit** Level 9 Green Square North
515 St Pauls Terrace
Fortitude Valley Qld 4006
- Fax** 07 3309 8777
- Email** info@nhvr.gov.au
- Web** www.nhvr.gov.au

