



National Transport Commission

NATIONAL HEAVY VEHICLE ACCREDITATION SCHEME BUSINESS RULES

(Approved November 2007)

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1. ABOUT THESE BUSINESS RULES

Purpose and Audience

The purpose of this document is to provide a framework for the administration of the National Heavy Vehicle Accreditation Scheme (the Scheme).

This document sets out the current policies and procedures for the conduct of the Scheme, and is to be used by an agency offering the Scheme to operators in their jurisdiction.

Any person offering management, consultant or audit services to operators should consult this document.

In addition, in relation to fatigue management the rules should be read in conjunction with the national Heavy Vehicle Driver Fatigue model legislation¹ as implemented in this jurisdiction. This Act regulates fatigue accreditation and enforcement of these rules.

Legal Status of the Business Rules

Membership of the Scheme is offered subject to the conditions contained in these Business Rules and compliance with the standards to which they refer.

In addition, reference should be made to the relevant legislation in each jurisdiction that provides for accreditation-based compliance schemes and implements the Scheme.

How the Business Rules will be Amended

These Rules will be periodically revised to reflect changes in the Scheme, new requirements and suggestions from users. Revisions may constitute a part or the whole of this document. This is the third revision since the Scheme was introduced in 1999.

Any amendments must have a release number and date reflected in the footer. Superseded rules should be removed from the document and replaced with the amended version.

2. INTRODUCTION

The Scheme allows heavy vehicle operators to demonstrate, through audit of their compliance management systems, that their vehicles and drivers comply with regulatory standards. By doing this, operators may gain access to some variation from conventional compliance and enforcement practices.

Accreditation to one or more modules of the Scheme is intended to increase transport efficiency by reducing the costs of compliance and by allowing Scheme Members greater flexibility in the management of their transport business.

The long-term objectives of the Scheme are to:

- improve efficiency for Scheme Members by reducing the impact of conventional regulatory enforcement;
- raise levels of compliance for non-accredited operators through more effective deployment of enforcement resources;
- improve road safety; and
- increase the productivity of the transport industry through adoption of good management by responsible operators.

The Scheme has also been used as a basis for the granting of regulatory concessions to operators who can demonstrate compliance with road transport legislation and to allow higher mass limits (HML) to be introduced in a responsible way.

The Scheme offers Maintenance Management, Mass Management and Fatigue Management Modules.

3. STRUCTURAL ARRANGEMENTS

- 3.1 The Scheme is primarily designed for vehicles over 4.5 tonnes GVM, including buses, specialist plant and emergency vehicles or under the Fatigue Management Module, vehicles above 12 tonne GVM, or buses with more than 12 seats but excludes a mobile home, tram or plant. An accrediting agency has the discretion to admit light vehicles as part of a mixed fleet.
- 3.2 Each participating jurisdiction must designate an accrediting agency to offer and administer membership in agreed modules. This may be the jurisdiction itself or another jurisdiction.
- 3.3 The Scheme consists of a number of modules, each applied to a different aspect of transport operation.
- 3.4 A Scheme Member can not transfer accreditation to another person or entity.
- 3.5 The Scheme offers variations in some aspects of enforcement practice in exchange for audited performance. However, it does not exempt Scheme Members from the requirements of applicable road transport legislation. Any applied sanction is in addition to the normal penalties incurred for a breach of road transport or other legislation.
- 3.6 An external independent body is responsible for the certification and monitoring of auditors. If an accrediting agency wishes to become an auditor, it must apply for and gain certification.
- 3.7 Each accrediting agency must recognise membership approved by other accrediting agencies.

¹ Set out in schedule to the *National Transport Commission (Model Legislation – Heavy Vehicle Driver Fatigue) Regulations 2006* (Cth).

- 3.8 Each accrediting agency must recognise the disciplinary decisions of other accrediting agencies and must duly consider any driver fatigue related advice received from the Fatigue Authorities Panel.
- 3.9 Each accrediting agency must communicate the data specified in the Information Exchange section (section 12).
- 3.10 Each accrediting agency agrees that information relating to a particular Scheme Member, which is sent to or received from another agency, is confidential, except where that confidentiality would conflict with existing freedom of information and privacy legislation and procedures.
- 3.11 Each accrediting agency must monitor performance of the accredited fleet (See Maintaining Accreditation section 8).
- 3.12 Decisions of the accrediting agency are subject to internal and external review. Each agency decides the arrangements for the internal and external review. They can be a part of an existing review process or a new process developed for the purposes of administering these rules.
- 3.13 The revision of standards in existing modules, the approval of new modules and the monitoring of practice to ensure consistency, are the responsibility of the Australian Transport Council or a body acting on the recommendation of the National Transport Commission.
- 3.14 Accrediting agencies must have arrangements in place to ensure that the terms and conditions of the Scheme are clearly understood by each party. The rights, responsibilities, obligations and access to records for each party, must be clearly defined.
- 3.15 The cost structure for the Scheme is as follows:
 - an accrediting agency may charge for original and renewed membership based on the following principles:
 - a) a reasonable recovery of the variable costs of administering the Scheme;
 - b) regard to other jurisdictions' costs in order to minimise the incentive to 'shop around' for lower charges;
 - c) regard to whether the operator is accredited in another module; and
 - d) regard to the differences in administering applications for larger fleets as opposed to smaller fleets so that the smaller sized operator is not disadvantaged;
 - on-entry audit and scheduled compliance audit costs met by the operator;
 - enforcement costs met by agencies; and
 - triggered compliance audit costs met by agencies. Normally the accrediting agency would arrange for an independent auditor to undertake a triggered audit and meet the costs. Where another agency conducts a triggered audit on behalf of the accrediting agency, the agency undertaking the audit would

meet its own costs. If non-compliance is confirmed, the agency incurring the cost may recover the cost of the audit from the Scheme Member.

It is reasonable to recover the costs of identification labels for vehicles, intercept report books and work diaries and the costs specifically incurred in processing the application. Justification to recover any other costs must adhere to the above principles.

4. AUDIT

- 4.1 All audits carried out for Entry into the Scheme, Renewal of Accreditation and Maintenance of Accreditation must be carried out in accordance with the National Heavy Vehicle Accreditation Scheme Independent Audit Framework and must be carried out in person, not by telephone. The framework is published by the National Transport Commission and located at www.ntc.gov.au.

5. ENTRY

- 5.1 An individual or a company registered with the Australian Securities and Investments Commission may apply for accreditation to the Scheme. Other types of entities that may apply for accreditation include: a partnership; a division of a company registered with the Australian Securities and Investments Commission; a government department; or a section of a government department.
- 5.2 A company, operating nationally, must be accredited only once under any one ACN/ABN. Any subsidiary company having its own ACN/ABN and seeking accreditation for its vehicles or Basic Fatigue Management or Advanced Fatigue Management accreditation should be separately accredited.

Companies must seek accreditation in the jurisdiction where its registered office is located unless that jurisdiction does not administer the Scheme, in which case an applicant shall be free to seek accreditation in any jurisdiction.

- 5.3 Eligibility for accreditation in Maintenance Management shall be subject to evidence of roadworthiness (i.e. a Certificate of Roadworthiness) of all vehicles in the nominated fleet seeking accreditation. The certificate shall be evidence of a physical inspection of the vehicle, provided by an individual or organisation approved by that jurisdiction where the applicant is seeking accreditation and demonstrates compliance with all legal requirements for the intended use of the vehicle.

An accrediting agency may at its discretion regard **proof of registration** as evidence of roadworthiness for new vehicles registered in the previous six months.

- 5.4 Where a vehicle is (or is to be) registered in a jurisdiction other than the accrediting agency, the certificate is to comply with the inspection requirements in the jurisdiction where it is (or is to be) registered.

- 5.5 The primary place for the compliance audits (See *Maintaining Accreditation* section 8) should be agreed by the applicant and the accrediting agency at the time of entry to the Scheme. However if this place is to be located outside the jurisdiction in which accreditation is being sought an additional fee may be charged.
- 5.6 Applicants must provide the following:
- the prescribed application form;
 - certification from an approved auditor that an entry audit has been undertaken and a management system(s) is in place, is being used and adheres to the standards relevant to a module or group of modules. For Fatigue Management this is to include an auditor's certificate certifying that the fatigue management system complies with the Advanced Fatigue Management or Basic Fatigue Management standards. A copy of the Entry Audit may be required with the application;
 - the prescribed administration charge;
 - if the applicant is an individual, Evidence of Identity (EOI) appropriate for a vehicle registration or driver licensing transaction carried out in that jurisdiction:
 - a) company name, trading name, ACN and ABN;
 - b) name of any subsidiary company (ACN and ABN) included in the accreditation application;
 - if applying for Maintenance Management, current Certificate of Roadworthiness being no older than six months (but extendable to a maximum of twelve months at the discretion of the accrediting agency), to demonstrate roadworthiness for each vehicle nominated;
 - if applying for Fatigue Management accreditation an operator must also submit a 'compliance history declaration' providing details:
 - a) of any contraventions within the previous five years of a corresponding fatigue law or an Australian road law by the operator or an associate of the operator; and
 - b) of any Fatigue Management accreditation of the operator or an associate of the operator has been varied or cancelled;
 - if applying for Fatigue Management under the Advanced Fatigue Management option, pre-approval from the accrediting agency for normal operating limits and frequencies for drivers for exceeding normal operating limits; and
 - nominated place for compliance audits.
- 5.7 The prescribed application form must include identification of the accrediting agency, the title of the Scheme and provision for the following items of information:
- the name(s) of the applicant;
 - names of subsidiary companies, where relevant;

- the street address, postal address and contact numbers of the applicant;
- the name and numbers of a contact person;
- the module(s) in which the applicant is seeking membership;
- acknowledgment of the agency's, or the service provider's, sighting of Evidence of Identity (EOI) and a declaration that the information is true and correct;
- if applying for Maintenance Management and Mass Management, the number and details of vehicles nominated for accreditation. Details are to include vehicle make, registration number, vehicle identification number (VIN) and gross vehicle mass;
- permission for any information collected for the purposes of administering the Scheme to be exchanged with other jurisdictions (See *Information Exchange* section 12); and
- the signature(s) of the applicant(s) and the date of application.

Providing false or misleading information to an accrediting agency is an offence under the relevant State or Territory legislation. Applicants who do so may be subject to a financial penalty or other sanction.

- 5.8 An applicant must nominate vehicles (or vehicle combinations) for accreditation in Maintenance Management and/or Mass Management. Where a trailer is accredited as a separate vehicle, a separate intercept book may be issued for that trailer. The intercept book issued for an accredited vehicle (or vehicle combination) must be carried on that vehicle at all times. Failure to produce an intercept book may result in sanctions against the company.

If in Fatigue Management accreditation, Scheme Members must keep a current list of drivers inducted into the operators fatigue management system and who meet the legislative requirements to operate under Fatigue Management. Scheme Members must also keep evidence that a driver has been inducted and meets the requirements of the particular accreditation. All Fatigue Management records must be kept for three years.

Accrediting agencies must keep up-to-date records of nominated vehicles. Scheme Members must notify the agency of changes to the nominated vehicle within 14 days of the changes taking place.

- 5.9 Nominated vehicles may include vehicles of sub-contractors, provided that they operate full time for the applicant and the applicant can take responsibility for them according to the terms of the module.
- 5.10 Applicants are subject to an administration charge based on the principles detailed in the *Structural Arrangements* section 3 of these Rules.
- 5.11 When determining whether to admit an applicant to membership, an accrediting agency may take into account the history of compliance with relevant road transport legislation. Compliance history information is relevant for three (3) years for Maintenance and Mass Management and five (5) years for Fatigue

Management from the date an incident occurred. After this period, the information should not be considered in a membership application.

- 5.12 Where an operator who is already accredited in one module seeks accreditation in another module, the accrediting agency should encourage the operator to align the audits and accreditation cycles for the various modules.
- 5.13 Successful applicants are referred to as Scheme Members and are accredited initially for two (2) years. All members are issued with the following items:
 - identification labels for each nominated vehicle in Maintenance Management and/or Mass Management, to identify them on the road;
 - intercept report books for each nominated vehicle (or vehicle combination) (See *Maintaining Accreditation* section 8); and
 - certificate of accreditation.

6. RENEWAL

- 6.1 Operators must apply for renewal of accreditation within three (3) months prior to the end of the of the accreditation period. Scheme Members must advise the relevant accrediting agency in writing, whether they wish to continue in the Scheme. If written advice is not provided, an agency may choose to contact the Scheme Member to enquire whether they wish to remain in the Scheme.
- 6.2 Towards the end of each accreditation period, a Scheme Member's performance in a module, a group of modules and the Scheme, is reviewed by the accrediting agency.

The accreditation period may be increased to three years when the performance of the Scheme Member is of a very high standard and where accreditation is not being used to gain a fuel tax credit. On the other hand, it may be reduced from the two year period if the performance of the Scheme Member has been unsatisfactory during the previous accreditation period.

For the accreditation period to be increased to three years, a Scheme Member's performance shall be assessed in terms of whether there has been a major non-conformance over the accreditation period and where this has occurred, the extent to which their compliance management system identified it and the action taken to correct it and prevent a recurrence.

Where a Scheme Member's compliance management system has failed to identify a major non-conformance and/or implement corrective action, the accrediting agency may reduce the next accreditation period.

Major non-conformances, which a Scheme Member's compliance management system has failed to identify, may be detected through on-going performance monitoring such as compliance audits, complaint investigation and random compliance checks (See *Maintaining Accreditation* section 8). The accrediting agency shall have regard as to whether the major non-conformance should reasonably have been detected by the Scheme Member's compliance management system.

6.3 When determining whether to continue membership and the length of the next accreditation period, an accrediting agency must consider the following:

- the audit results over the accreditation period; and
- the history of compliance with the terms and conditions of the Scheme.

An accrediting agency must also consider any related advice received from the Fatigue Authorities Panel. Agencies may also take into account the history of compliance with relevant road transport legislation. Compliance history information is relevant for three (3) years for Maintenance and Mass Management and five (5) years for Fatigue Management from the date the incident occurred. After this period, the information should not be considered in a renewal application.

6.4 If, after review, a Scheme Member's performance is not considered satisfactory in a module or group of modules, the agency may decide not to renew the Scheme Member's accreditation in that module or group of modules or the Scheme.

If an agency decides to take this course of action, the agency must advise the Scheme Member in writing of the reasons for the proposed action and allow 28 days to show cause why the accreditation should not lapse. If, in the opinion of the agency, the Scheme Member fails to show cause, the agency will advise the Scheme Member within 14 days that accreditation has not been renewed. Within 14 days of that advice, the Scheme Member must return the identification labels or provide written advice that they have been destroyed.

7. IDENTIFICATION

7.1 All vehicles nominated for Maintenance Management and Mass Management are to be identified by a colour coded label. The costs may be passed onto Scheme Members as part of the administration charge. Operators who are accredited in Fatigue Management are not required to identify their vehicles with a label. However, under the fatigue legislation operators are required to ensure that drivers operating under their accreditation set out the required details of that in their work diary.

Where applicable, the label comprises a base label that denotes Scheme membership and bar labels for each module in which accreditation has been gained. The bar labels are affixed to the base label in the assigned locations. Unless required by the operational module, labels need only be issued for the hauling unit. The presence of this label indicates that the rigid truck or the articulated combination is accredited.

Some jurisdictions may wish to implement a secondary identification system for vehicles (e.g. using radio-frequency electronic tags) at their own expense.

All labels must have a unique serial number including a prefix to indicate the jurisdiction in which accreditation was obtained. Agencies must keep a record of the sequence of labels issued to a Scheme Member.

Each label shall bear a unique number allocated by the accrediting agency. When an accrediting agency issues a label, it shall notify the operator of the specific vehicle for which the label has been issued. Each label shall only be affixed to the vehicle for which it has been issued.

The Scheme Member is responsible for maintaining an audit trail to ensure that the labels issued are placed only on nominated hauling units.

- 7.2 In the event that a label is lost or destroyed, the Scheme Member must provide written advice within 14 days, before replacements can be issued.

In the event that a nominated vehicle is no longer in the Scheme, the Scheme Member must prior to sale or disposal of a nominated vehicle remove and either return or destroy the label. The Scheme Member must provide written advice of the action taken, within 14 days of the vehicle no longer being in the Scheme. A vehicle can include a separately registered trailer.

- 7.3 It is an offence to falsely claim accreditation through use of a label or any other means. Scheme Members who do so may be subject to a financial penalty in addition to other sanctions.

- 7.4 For Fatigue Management, a driver must record in his or her work diary the Advanced Fatigue Management or Basic Fatigue Management accreditation number of the operator for whom he or she is working. The operator is also required to ensure that the driver complies with this requirement. It is an offence not to record this information.

- 7.5 A driver who is driving under an operator's Advanced Fatigue Management accreditation must have recorded in his/her work diary a statement of the hours allowed under the accreditation.

8. MAINTAINING ACCREDITATION

- 8.1 The maintenance of accreditation is dependent upon a Scheme Member's history of compliance not only with the terms and conditions of the Scheme, but also with other aspects of relevant road transport legislation.

Performance is monitored through a program of:

- compliance audits;
- investigation of complaints; and
- random compliance checks.

Compliance Audits

- 8.2 A compliance audit assesses the effectiveness of a compliance management system by examining and measuring the level of compliance achieved over a given period.

Compliance audits fall into two categories: scheduled or triggered. A triggered inspection may be undertaken instead of a full audit to assess compliance specifically with Maintenance Management.

- 8.3 Scheduled Audits – For the first accreditation period, a Scheme Member’s management system must undergo a scheduled compliance audit within the first six (6) months of operation, and a second audit within 12 months prior to the end of the accreditation period.

Auditors should contact the accrediting agency to obtain a list of vehicles (for Maintenance Management and Mass Management), intercept reports and any other information required by the accrediting agency before conducting the audit to give the auditor some history on the operator. This request should be made prior to each audit other than on entry and information provided will be subject to the requirements of privacy legislation in the particular jurisdiction.

After the first accreditation period, the system is subject to one scheduled compliance audit every accreditation period, namely within the last 12 months of the accreditation period. Every effort should be made to align the scheduled compliance dates for different modules. Otherwise, each module will have its own auditing schedule.

All scheduled audits or summary auditor reports in a format prescribed by the accrediting agency are to be sent to the accrediting agency within 28 days of the audit.

- 8.4 Normally the scheduled compliance audits are undertaken at the location agreed by the operator and the accrediting agency on entry to the Scheme. However, at the request of an operator, and at the discretion of the accrediting agency, the audit may be performed at another location and by such means as approved by the accrediting agency, provided that the number audits conducted away from the operator’s nominated premises is limited to two consecutive audits.
- 8.5 When an auditor has carried out two consecutive audits on an operator, a different auditor must conduct the next audit. These provisions may, after written application by an operator, be waived by an accrediting agency in extenuating circumstances such as in remote areas.
- 8.6 Triggered Audits – Where information (e.g. on-road breach, serious crash, compliance history, an intercept report, a compliance statement or a complaint) suggests that the Scheme Member may be acting in contravention of the conditions of accreditation, the accrediting agency may initiate a triggered audit following substantiation of the incident. This substantiation may come from information received from a spot check (see section 8.13). The accrediting agency may require the audit to be undertaken at any of the operator’s premises or at a location nominated by the agency. An accrediting agency may initiate or conduct a triggered audit on any scheme member, even when the Scheme Member is accredited by another jurisdiction.

Another agency or an enforcement officer may request the accrediting agency to initiate a triggered audit on a Scheme Member – see also *Investigation of Complaints* section 8.8).

The accrediting agency must choose an approved auditor that is independent of the Scheme Member, to undertake a triggered audit. This may be a certified auditor of another accrediting agency.

- 8.7 Triggered Inspections – Where a Scheme Member is accredited in Maintenance Management and where information received via an intercept report, a compliance statement or a complaint suggests that the condition of a vehicle(s) is not to the national standard, an accrediting agency may order a triggered inspection. The inspection may be in conjunction with an audit of the maintenance management system or as a stand alone.

Inspections must be carried out by competent persons deemed by the accrediting agency as experienced in the inspection of heavy vehicles and in accordance with the National Vehicle Standards and the Australian Design Rules (ADRs).

Investigation of Complaints

- 8.8 A complaint may be received from another agency or any member of the public, verbally or in writing. An accrediting agency has the discretion not to act on a complaint that relates directly to the conditions of accreditation and reserves the right not to act upon, or reply to, vexatious or anonymous complaints. Where a complaint is in writing, the agency should respond to the complainant in writing.

While a complaint is being investigated, the accrediting agency may choose not to advise the Scheme Member of the complaint. Where the agency decides to take some action after investigation, the Scheme Member must be advised in writing of the complaint.

If, after investigation, the complaint is substantiated, the accrediting agency may take action against the Scheme Member (see *Sanctions* section 9).

If action is taken, the accrediting agency must keep a record of the incident and action taken. This is to be filed with other information about the Scheme Member and may be taken into consideration when renewing accreditation (see *Renewal* section 6).

Random Compliance Checks

- 8.9 Random compliance checks are carried out to gather information on a Scheme Member's level of compliance. These checks cover compliance with the terms and conditions of the Scheme and compliance with relevant road transport legislation.

- 8.10 Random compliance checks can be carried out in a variety of ways, namely by:

- on-road intercepts;
- review of quarterly compliance statements or requesting other information;
- spot checks to determine satisfactory compliance;
- random inspections; and
- any combination of the above.

Where jurisdictions have implemented the NTC Compliance and Enforcement reform, a number of new broader powers are also available. These powers include undertaking inspections of vehicles or premises to monitor compliance,

sending notices requiring information or documents to be produced or where there is evidence of offences, undertaking detailed searches and investigations.

- 8.11 On-road Intercepts – On-road intercepts provide information on compliance with the conditions of the Scheme as well as with relevant road transport legislation. On-road intercepts can be carried out by agencies and/or police.

When a vehicle or driver of an accredited operator is intercepted on the road, an intercept report (hardcopy or electronic) must be completed by the enforcement officer. Where a breach is identified, the intercept report should be forwarded to the accrediting agency. Where no breach is identified, the accrediting agency should be advised of the intercept.

Agencies and operators must keep a record of the intercept report for a minimum period of three (3) years for audit and renewal purposes (see *Renewal* section 6).

- 8.12 Compliance Statements – As part of the internal review standards for each module, a Scheme Member is required to complete quarterly compliance statements. These statements must contain a record of compliance with the key outcomes required for each module offered under the Scheme.

Review of quarterly compliance statements may be undertaken at the Scheme Member's premises or an accrediting agency may request a Scheme Member to provide the statements directly to the agency at specified intervals.

If an accrediting agency requires access to these statements, it must be included in the Scheme conditions agreed between the relevant parties. (see *Structural Arrangements* section 3). These conditions should also include the consequences of not providing them as requested.

If a discrepancy is found, the accrediting agency may choose to take action against the Scheme Member.

Accrediting agencies and Scheme Members must keep records of compliance statements for a minimum period of three (3) years for audit and renewal purposes (see *Renewal* section 6).

There are also additional powers contained in the NTC Compliance and Enforcement reform to require persons to answer questions or produce documents.

- 8.13 Spot Checks – A spot check may be carried out either on-site or as a desk-top review of specific records by competent persons or enforcement officers. A spot check could be triggered because of information received that an operator may not be complying with the various module standards. This information can come from on-road intelligence (intercept report, weigh in motion (WIM) data, a non-compliance report as part of Intelligent Access Program (IAP) etc), a complaint, advice from another jurisdiction or a discrepancy in an audit report that an agency would like to investigate further. A spot check is used as a preliminary step to establish whether action needs to be taken. If the discrepancy is proven and indicates a systemic problem, the accrediting agency could initiate a triggered audit to investigate the non-compliance further.

- 8.14 Random Inspections – If an accrediting agency's records show that the condition of a Scheme Member's vehicles has not been monitored for more than one

accreditation period, the agency may order an inspection of the accredited fleet at the Scheme Member's premises or at a location nominated by the agency. The sample of vehicles to be inspected is five (5) vehicles or 10% of the accredited fleet, whichever is the greater.

Similarly, records available to a jurisdiction may indicate that a Scheme Member is not complying with either the Mass, Maintenance or Fatigue Management modules. This may also trigger an inspection of the member's business and management system.

A report is to be produced at the time of the random inspection indicating any findings and if any action is recommended. A copy of the report is to be provided to the Scheme Member and the original submitted to the accrediting agency for appropriate action (see *Investigation of Complaints* section 8.8).

9. SANCTIONS

- 9.1 When determining the sanction to apply to a substantiated non-compliance with the Scheme, consideration should be given to the severity of the case, any mitigating circumstances and any related advice from of the Fatigue Authorities Panel.

Where an accrediting agency proposes to suspend, vary or cancel a Basic Fatigue Management or Advanced Fatigue Management accreditation that was originally granted by another jurisdiction, it must refer the matter to the Fatigue Authorities Panel for advice as required under legislation before making that decision.

- 9.2 Sanctions that can be imposed on a Scheme Member include:

- counselling;
- a written warning notice;
- an improvement notice;
- issuing a notice to take corrective action within a specified period;
- increasing the frequency of scheduled compliance audits;
- variation of the terms and conditions of accreditation;
- issuing a show cause why accreditation should not be suspended;
- issuing a show cause why accreditation should not be cancelled; and
- immediate suspension or cancellation of accreditation.

- 9.3 A Scheme Member must respond to all show cause notices within 28 days of the date of posting of the show cause notice. At the end of the 28 days notification period, the accrediting agency must consider all information provided and make a decision.

The Scheme Member is advised in writing of the agency's decision and, if necessary, of the appropriate mechanism for review of the decision.

- 9.4 A Scheme Member must keep a record of any imposed sanction and the reasons for making that determination. Any sanction taken against a Scheme Member is in addition to the normal penalties incurred for a breach of road transport legislation.

Providing false or misleading information to an accrediting agency is an offence under the relevant State and Territory law. Persons who do so may be subject to a financial penalty in addition to other sanctions. It is an offence to claim accreditation through use of a label or any other means. Persons who do so may also be subject to a financial penalty.

- 9.5 If a Scheme Member's accreditation is cancelled see *Exit* section 11.

10. REVIEW

- 10.1 An applicant refused entry to a module may appeal for an internal review of the decision within 28 days of the posting of the notification.

- 10.2 A Scheme Member wishing to contest a decision not to renew accreditation must lodge an appeal for internal review within 28 days of the posting of the notification. If the original decision is upheld, the Scheme Member may seek external review under the law of the relevant jurisdiction.

Unless either the internal or external review upholds the appeal, the accreditation would cease as from the renewal date.

- 10.3 A Scheme Member wishing to contest a decision to vary, suspend or cancel accreditation prior to the end of the accreditation period must lodge an appeal for an internal review within 28 days of the posting of the notification. If the original decision is upheld, a Scheme Member may lodge an external review.

Sanctions are to be held in abeyance during the internal review but if the original decision is upheld, they are to be imposed and remain in force unless overturned by the external review process.

11. EXIT

- 11.1 A Scheme Member may leave the Scheme or voluntarily give up membership to a particular module at any time or the accreditation may be cancelled.

Members voluntarily leaving the Scheme or a module must advise the accrediting agency in writing that they wish to do so and must return the identification labels or provide written advice that they have been destroyed.

If in Fatigue Management accreditation, the accrediting agency may request the return of the accreditation certificate. A person must comply with a request within seven days after receiving the notice.

- 11.2 A Scheme Member's accreditation does not transfer to a new owner in the event of the company being sold and acquired by another operator. Where the new owner is already an accredited operator the acquired vehicles must be added to their accreditation in the same manner as any other acquired vehicle. If the new

owner is not an accredited operator and chooses to enter the Scheme, they must seek accreditation in their own right.

- 11.3 Where a Scheme Member's accreditation has been suspended or cancelled, the member must return the identification labels or provide written advice that they have been destroyed within 14 days of the posting of the notification.

At this time the accrediting agency may also request the return of the accreditation certificate.

To ensure that all items have been returned, the accrediting agency may request access to their records to trace how and when the labels were used. Reference can also be made to the original record of issue maintained by the agency. Where necessary, the accrediting agency may take reasonable steps to recover the labels.

- 11.4 The accrediting agency is to advise all other agencies of suspensions or cancellations of accreditation once review procedures have been completed.

The accrediting agency is to advise all other agencies of voluntary exits from the Scheme or from particular modules.

12. INFORMATION EXCHANGE

- 12.1 Each accrediting agency will transmit the following information to every other accrediting agency:

- details of entry (name of Scheme Member) into a module; and
- details of exits (voluntary, allowed to lapse, suspension, cancellation) from a module, after all appeals, if any, have been exhausted.

- 12.2 Each accrediting agency will transmit the following information to other agencies as appropriate:

- the results of a triggered audit carried out on behalf of another jurisdiction;
- the results of a vehicle(s) inspection carried out on behalf of another jurisdiction;
- an enquiry regarding an audit or vehicle inspection on behalf of another jurisdiction;
- details of a complaint received about a Scheme Member accredited by the other agency;
- a response to a complaint transmitted from another agency; and
- a response to an enquiry regarding accreditation status.

APPENDIX 1: ADMINISTRATION FUNCTIONS – PROCESSING APPLICATIONS

1.1 Process Original Entry Application

- 1.1.1 Review application to ensure that all information is provided
- 1.1.2 Ensure all required documentation is provided
- 1.1.3 Sight EOI
- 1.1.4 Indicate review and sighting of EOI on application form
- 1.1.5 Collect administration charge

1.2 Assess Original Entry Application

- 1.2.1 Review the pre-entry audit certification.
- 1.2.2 Review audit results provided by applicant.
- 1.2.3 Consider the work and rest hours proposed in an application for Advanced Fatigue Management and the counter measures proposed to manage any fatigue risks. Due consideration must be given to any previous advice given by the Fatigue Authorities Panel before making any decision.

Record audit results.

- 1.2.5 Make recommendation including any conditions to be imposed.
- 1.2.6 If an Advanced Fatigue Management application will impact on another agency, make a preliminary assessment and recommendation and refer the proposed recommendations to the Fatigue Authorities Panel. Make a final recommendation only after giving due consideration to written advice from the Fatigue Authorities Panel.

1.3 Implement Recommendation

- 1.3.1 Accept entry:
 - 1.3.1.1 Advise applicant in writing.
 - 1.3.1.2 Issue identification labels and intercept reports and for Fatigue Management accredited drivers, issue work diaries or make arrangements for their issuing.
 - 1.3.1.3 Create file for Scheme Member.
 - 1.3.1.4 Record serial number of labels and intercept reports and work diaries for Fatigue Management Module accredited drivers.
 - 1.3.1.5 Record results and relevant documentation.
 - 1.3.1.6 Advise other agencies.

1.3.2 Deny entry:

1.3.2.1 Advise applicant in writing.

1.3.2.2 Advise other agencies.

1.4 Membership Renewal

1.4.1 Assess scheduled compliance audit results.

1.4.2 Assess compliance history with terms and conditions of the Scheme.

1.4.3 Assess compliance history with the relevant road transport legislation. Seek advice from Fatigue Authorities Panel, where appropriate.

1.4.4 Make a recommendation.

1.5 Implement Recommendation

1.5.1 Accept renewal:

1.5.1.1 Advise applicant in writing.

1.5.1.2 Record result on Scheme Member's file.

1.5.1.3 File documents.

1.5.1.4 Advise other agencies and Fatigue Authorities Panel, where appropriate.

1.5.2 Deny Renewal:

1.5.2.1 Advise applicant.

1.5.2.2 Record result on Scheme Member's file.

1.5.2.3 Advise other agencies and Fatigue Authorities Panel, where appropriate.

1.6 Record Details

1.6.1 Record all operator details, e.g. name, address, contact numbers, etc.

1.6.2 Record details of nominated vehicles.

1.6.3 Record the decision in the register of decisions – must contain all decisions currently force in the jurisdiction relating to Fatigue Management if made by the agency or by another agency if subject to mutual recognition.

1.6.4 Advise other agencies and Fatigue Authorities Panel, where appropriate.

1.7 Change of Details

1.7.1 Note any change of details.

1.7.2 Record on database (if necessary).

1.7.3 File documents.

1.7.4 Advise other agencies and Fatigue Authorities Panel, where appropriate.

ESTIMATED RESOURCES REQUIRED:

- Clerical staff
- Expert advice as necessary
- Vehicle inspectors
- File storage
- Database (optional)
- Labels and intercept reports
- Work diaries for Fatigue Management Module
- Inspection equipment (if required)

COSTS:

- Staff salaries/wages
- Vehicle inspections by inspectors (if required)
- Expert advice as necessary
- Setting up database
- Maintaining database
- Creating and maintaining member's files
- Mailing advice
- Printing application forms, labels and intercept reports and work diaries
- Staff training for processing applications
- Enforcement officer training for intercept report procedures (optional)
- Exchange of information between agencies and Fatigue Authorities Panel, where appropriate

APPENDIX 2: ADMINISTRATION FUNCTIONS – MONITORING SCHEME MEMBERS

2.1 Monitor Complaints

- 2.1.1 Review complaint.
- 2.1.2 Investigate complaint (where necessary).
- 2.1.3 Refer complaint to the Fatigue Authorities Panel for advice if there is a dispute between Scheme owners as to the variation, suspension or cancellation of a Basic Fatigue Management accreditation, Advanced Fatigue Management accreditation or an exemption requested by a Scheme owner.
- 2.1.4 Resolve complaint
- 2.1.5 Implement complaint resolution.
- 2.1.6 Advise Scheme Member (where necessary).
- 2.1.7 Record complaint and action taken.
- 2.1.8 Respond to complainant in writing (where necessary).

2.2 Collect Compliance History Data

- 2.2.1 Conduct random compliance checks (on-road and Scheme Member's premises).
- 2.2.2 Record intercept report, random compliance check report or compliance statement details.
- 2.2.3 Act on results (where necessary).
- 2.2.4 File intercept reports, random compliance check reports or compliance statements.

2.3 Conduct Triggered Audits

- 2.3.1 Choose auditor from approved list.
- 2.3.2 Advise operator and auditor.
- 2.3.3 Arrange vehicle inspection (if necessary).
- 2.3.4 Request other agency to conduct vehicle inspection (if and when necessary).
- 2.3.5 Conduct vehicle inspection (if carried out by agency).
- 2.3.6 Review audit results.
- 2.3.7 Record audit results.
- 2.3.8 Recommend appropriate course of action.
- 2.3.9 Implement recommendation.

2.3.10 Recoup audit costs where complaint is substantiated and Scheme Member is in breach (if necessary).

2.4 Show Cause

2.4.1 Advise Scheme Member in writing.

2.4.2 Consider all information provided.

2.4.3 Recommend a position.

2.4.4 Implement recommendation.

2.4.5 Record details on member's file.

2.4.6 File.

2.4.7 Suspension of membership:

2.4.7.1 Advise Scheme Member.

2.4.7.2 Record.

2.4.7.3 Advise other agencies.

2.4.7.4 Close file.

2.4.8 Cancellation of membership:

2.4.8.1 Advise Scheme Member.

2.4.8.2 Record.

2.4.8.3 Advise other agencies.

2.4.8.4 Close file.

2.5 Record Operator Changes

2.5.1 Record voluntary exit.

2.5.2 File.

2.5.3 Advise other agencies.

ESTIMATED RESOURCES REQUIRED:

- Staff
- Inspectors/investigation officers
- Database entry and maintenance (optional)
- File storage
- Auditor (from approved auditor list)

COSTS

- Staff salaries/wages
- Expert fatigue advice
- Mailing
- Data entry (optional)
- Maintenance of database (optional)
- Maintenance of member's file
- Conduct of triggered audit
- Conduct of vehicle inspections
- Exchange of information with other agencies and Fatigue Authorities Panel

APPENDIX 3: ADMINISTRATION FUNCTIONS – IMPLEMENTING REVIEW MECHANISMS

3.1 Establish Internal Review Mechanism

3.1.1 Establish review mechanism.

3.2 Conduct Internal Review

3.2.1 Record review request.

3.2.2 Schedule review.

3.2.3 Advise applicant (original application or Scheme Member).

3.2.4 Conduct review:

3.2.4.1 Review denial of entry/renewal to module.

3.2.4.2 Review internal disciplinary decision.

3.2.5 Implement review result.

3.2.6 Advise applicant (where original accreditation) or Scheme Member.

3.2.7 Record result on member’s file.

3.3 Conduct External Review

3.3.1 Monitor outcome of external review.

3.3.1 Record result of external review.

ESTIMATED RESOURCES REQUIRED:

- Staff
- Database (optional)
- File storage

COSTS

- Staff wages/salaries
- Data entry (optional)
- Maintenance of database (optional)
- Maintenance of member’s file
- Mailing
- Maintenance of internal review mechanisms
- Conduct of external/internal review

APPENDIX 4: COMMON TERMINOLOGY

TERM	DESCRIPTION
Accreditation	Approval of a Scheme Member's compliance management system to the NHVAS Standards.
Accrediting Agency	The road management authority with responsibility for administration of the NHVAS within a State or Territory.
ADR	Australian Design Rule
Appeal	A reconsideration of a decision of the accrediting agency by an external body, normally the Courts, the Administrative Appeals Tribunal or the Ombudsman.
AFM	Advanced Fatigue Management option of the Fatigue Management Module.
Approving Authority	A body granted powers under the Scheme to certify persons as being auditors for the purposes of the Scheme.
Auditor	A person certified as an Auditor by RABQSA to undertake heavy vehicle audits. Auditors of a Fatigue Management System must be of a class specified by the Fatigue Authorities Panel.
BFM	Basic Fatigue Management option of the Fatigue Management Module.
Breach	A non-compliance with the standards established for a module or the requirements relating to heavy vehicles specified in relevant road transport legislation and regulations.
Certification	Evidence that a compliance management system has been examined by an auditor and is eligible for accreditation.
Certificate of Roadworthiness	The Certificate of Roadworthiness is evidence of a physical inspection of the vehicle that demonstrates compliance with all legal requirements for the intended use of the vehicle.
Combination	A group of vehicles consisting of a motor vehicle connected to one or more other vehicles.
Compliance Management System	The organisational structure, responsibilities, procedures, activities, capabilities, resources and records established by an operator with the aim of ensuring compliance with a set of NHVAS Standards.
EOI	Evidence of Identity (EOI) documents provide evidence of a person's identity that satisfy the requirements for a vehicle registration or driver licensing transaction in the jurisdiction of accreditation.

TERM	DESCRIPTION
External Review	An external review as provided under the laws of this jurisdiction, e.g. a review tribunal or an ombudsman's inquiry. An external review must be in writing and lodged within the relevant time limits of this jurisdiction.
Fatigue Authorities Panel	Provides advice to jurisdictions on granting applications for Advanced Fatigue Management. The panel will also have a broad role to issue guidelines and resolve disputes between participating jurisdictions relating to the Basic Fatigue Management, Advanced Fatigue Management, the approval of electronic work diaries and the issuing of exemptions from the reform.
Fatigue Management System	An operator's management system for ensuring compliance with the relevant Fatigue Management standards (either Advanced Fatigue Management or Basic Fatigue Management) and business rules, as defined in the <i>Heavy Vehicle Driver Fatigue Act 2006</i> .
GVM	<p>The Gross Vehicle Mass (GVM) of a vehicle means the maximum loaded mass of the vehicle:</p> <p>(a) as specified by the vehicle's manufacturer on an identification plate on the vehicle; or</p> <p>(b) as specified by the Authority if:</p> <ol style="list-style-type: none"> i. a mass is not specified by the vehicle's manufacturer on an identification plate on the vehicle; or ii. a mass so specified on an identification plate is no longer appropriate because the vehicle has been modified.
Independent Audit	A systematic and independent planned and documented activity performed by external auditors to verify for external purposes by investigation, and the examination and evaluation of objective evidence, that applicable elements of a system have been developed, documented and effectively implemented in accordance with the relevant standards applicable to a particular module.
Internal Review	An appeal to an Accrediting Agency to review a decision. An internal review must be in writing and lodged with the Agency within 28 days of the posting of the notification of the decision.
HML	The set of Higher Mass Limits (HML) as approved by the Australian Transport Council at its meeting on 24 April 1998.
Incident	An event occurring while a vehicle is being operated on a road or a road related area. It may involve damage to the vehicle and/or damage to another vehicle or third-party property, or matters relating to the loading of a vehicle, or matters relating to the Fatigue Management Module, or any other matter relating to the operation of the vehicle.

TERM	DESCRIPTION
NHVAS – (The Scheme)	National Heavy Vehicle Accreditation Scheme.
Nominated Vehicle	A vehicle operated by the Scheme Member participating in the Scheme.
Operator	A person or company which manages the labour of vehicles and/or drivers.
Participating Driver	A driver employed by the Scheme Member participating in the Fatigue Management Module of the Scheme.
Public Road	‘Public road’ or ‘road’ has the same meaning as ‘road’ under the Australian Road Rules.
Regulatory Standards	The requirements relating to the operation of heavy vehicles specified in road transport legislation and regulations.
Review	A reconsideration of a decision of the accrediting agency by the designated internal review body.
Scheme Member	An individual or company approved by an accrediting agency to operate under a certified compliance management system for a period nominated by the accrediting agency depending upon performance. The initial accreditation period is two (2) years.
System Accreditation Audit – (Entry Audit)	A System Accreditation Audit (Entry Audit) is an Independent Audit which examines the underlying management controls including documented procedures and records management systems. It is designed to ensure that adequate procedures are in place to effectively and consistently achieve the outcomes required.
System Compliance Audit – (Compliance Audit)	A System Compliance Audit is an Independent Audit which assesses the effectiveness of the compliance management systems by examining and measuring the level of compliance actually achieved over a given period.
Vehicle	A <i>vehicle</i> includes: <ul style="list-style-type: none"> (a) a motor vehicle (b) a trailer; and (c) a combination.
Vehicle Inspection	An examination of a vehicle to evaluate compliance to the national Vehicle Roadworthiness Guidelines. This may be a requirement for the maintenance management module.