



Annual Report

2017-18

About this report

This Annual Report provides a summary of the corporate performance of the National Heavy Vehicle Regulator (NHVR) during the 2017–18 financial year. It has been prepared in accordance with the *Heavy Vehicle National Law 2012* (Qld) (HVNL) and other relevant legislation.

The report outlines our operational performance against the objectives and National Performance Measures set out in the *NHVR Corporate Plan 2017–2020*. It also includes our:

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

This report is a key accountability document, which fulfils our statutory reporting obligations to responsible Ministers, as outlined below. It also aims to meet the information needs of all our other stakeholders, who include but are not limited to:

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

For ease of reference, we have included an alphabetical index and abbreviations list on pages 66 and 67 respectively.

This report, past reports and other corporate publications can be accessed on our website at www.nhvr.gov.au/publications.

For more information, please contact the NHVR via:

Email: info@nhvr.gov.au

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PO Box 492, Fortitude Valley QLD 4006

Interpreter service statement

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

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HVNL reporting requirements

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

HVNL reporting requirements	Reference	Pages
Financial statements	s.693(2)(i)	47
Statement of actual performance against the National Performance Measures (Standards and Indicators) outlined in the current corporate plan	s.693(2)(ii)	28–31
Statement of exceptions where the National Performance Measures (Standards and Indicators) were not achieved	s.693(2)(iii)	28–31
Statement of trend analysis relating to performance measured against the National Performance Measures (Standards and Indicators)	s.693(2)(iv)	28–31
Statement of the outcome of consultation strategies and activities, including a summary of industry comments	s.693(2)(v)	14–16, 40–45
Statement of the achievements attained in implementing, and the challenges encountered in implementing, the Regulator's objectives stated in the current corporate plan	s.693(2)(vi)	6, 7, 9, 10–31
Statement of the achievements attained in the exercise of the Regulator's functions	s.693(2)(vii)	6, 7, 9, 10–31
Statement of arrangements in place to secure collaboration with state and territory agencies and the effectiveness of those arrangements	s.693(2)(viii)	10–27, 41–42
Statement indicating the nature of any reports requested by the responsible Ministers under s.694	s.693(2)(ix)	33
Other matters required by the national regulations	s.693(2)(x)	n/a

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24 September 2018

The Hon Michael McCormack MP
Minister for Infrastructure and Transport
PO Box 6022
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Minister

In accordance with the *Heavy Vehicle National Law Act 2012* (Qld), I am pleased to present to you the National Heavy Vehicle Regulator's Annual Report for the reporting year 1 July 2017 to 30 June 2018.

The report is structured to reflect delivery against the *NHVR Corporate Plan 2017–20*, which was approved by responsible Ministers. It provides a detailed description of the NHVR's achievements and performance in 2017–18 in pursuit of improving the safety, productivity and efficiency of Australia's heavy vehicle road transport industry.

The following is a snapshot of the NHVR's significant achievements during the reporting period:

- Successful transition of heavy vehicle services from South Australia, with new staff in Adelaide and regional South Australian offices.
- Extensive collaboration with Tasmania's Department of State Growth to prepare for the transition of heavy vehicle services from Tasmania from 2 July 2018.
- Return of permit delegations from South Australia, the ACT and Victoria, with the NHVR now processing all heavy vehicle permit applications for Class 1, 2 and 3 vehicles in these jurisdictions.
- Release of a new Road Manager module for the NHVR Portal to support permit processing by more than 430 road managers in participating jurisdictions.
- An ongoing national education and awareness campaign to inform industry of changes to the amended Chain of Responsibility laws that will operate from 1 October 2018.
- Release of a suite of resources to promote industry adoption of a Safety Management System.
- Release of a series of policy documents that will lay the foundations for the introduction of voluntary Electronic Work Diaries in 2018–19.
- Approval of a Personal Use Exemption providing greater flexibility to operators using standard hours, allowing up to one hour's personal use of a heavy vehicle outside their regulated driving hours.
- Twenty-four per cent growth in the Performance Based Standards (PBS) scheme, with 1,741 combinations now certified under the PBS framework.
- Installation of Automatic Number Plate Recognition cameras at three new National Safety Camera Network sites through Heavy Vehicle Safety Initiative funding.

Performance data presented in this report have been verified through an independent audit against ASAE 3000 conducted by Grant Thornton. The outcome is outlined in the enclosed performance assurance report.

In presenting this Annual Report, I take the opportunity to acknowledge the professionalism and dedication with which my colleagues have advanced the efforts of this national initiative, as we continue to work with industry and partner agencies to build a safer, more productive and innovative heavy vehicle industry.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Bruce Baird', is positioned above the printed name and title.

The Hon Bruce Baird AM
Chair of the Board



1 Overview

This section includes our Chairman's message, CEO's report, an overview of our organisation and the year's highlights.



Message from the Chairman

Since it was established five years ago, the NHVR has made significant progress in advancing regulatory reform for heavy vehicle safety and productivity.

The 2017-18 year saw the NHVR grow in strength as a national entity. Key initiatives included South Australia becoming the first state to transfer heavy vehicle on-road services to the NHVR, the progressive return of road access permit delegations from jurisdictions, and the further implementation of national approaches to heavy vehicle compliance and enforcement operations.

These initiatives reflect the growing confidence of responsible Ministers, jurisdictional partners, stakeholders and the broader heavy vehicle supply chain in our ability to deliver consistent outcomes across the country.

Our ongoing investment in developing a digital regulatory platform will allow us to use national datasets to guide evidence-based compliance and intelligence activities. The Safety and Compliance Regulatory Platform, which we commissioned during the year, will allow us to draw on national compliance, registration, accreditation and licensing data. This will underpin the future of safety and compliance activities. I am grateful for the support of our jurisdictional partners in state, territory and federal governments for allowing access to the data crucial for this project.

The first phase of the platform's operation will allow heavy vehicle operators to have access to, and download details of, their national fleets of registered assets through the NHVR Portal at no cost from 1 October 2018.

Our compliance efforts have been complemented by the ongoing development of the NHVR Safety Program. In particular, I was delighted to join Victorian Transport Minister Luke Donnellan in May 2018 to launch the NHVR Safety Management System (SMS). This is a suite of resources that will assist the heavy vehicle road transport industry and supply chain to improve safety and meet the requirements of the amended Chain of Responsibility (CoR) laws under the HVNL, which will operate from 1 October 2018.

The progressive return of road access permit delegations from the participating jurisdictions demonstrates our capability to apply, and support industry to meet, the current access laws under the HVNL. It also allows greater levels of transparency and understanding of trends in road use, and of the needs of industry and road managers.

By our working with jurisdictions and local government road managers to reduce the need for permits, the number of heavy vehicle road access permit applications received by the NHVR and participating jurisdictions reduced from more than 115,000 in 2013 to around 65,000 in 2017.

With higher levels of data and information becoming available, we are well positioned to support the upcoming comprehensive review of the HVNL, in particular its road access requirements. We look forward to supporting an independent review that draws on

the views of the heavy vehicle road transport industry, the business community more generally, government at all levels and all road users.

In this Annual Report, you will find details of many other important projects, including preparation for the rollout of Electronic Work Diaries (EWDs), and the growth in the Performance Based Standards (PBS) scheme, National Heavy Vehicle Accreditation Scheme (NHVAS) and our National Compliance Information System (NCIS). I am pleased that these programs are all delivering the positive outcomes that the NHVR Board envisioned.

Although, over several years, the on-road safety record of heavy vehicles has improved, we recognise that the situation continues to require considerable attention to reduce the unacceptably high numbers of fatalities and serious injuries that occur as a result of incidents involving heavy vehicles. In the 12 months to the end of March 2018, 184 people died from 163 fatal crashes involving heavy vehicles. We will continue to work with the industry, governments, other relevant regulators and the wider community towards eliminating this tragic toll.

The establishment of the NHVR was unique in many ways, driven by the common desire of industry, governments and others to improve heavy vehicle safety, compliance and productivity across Australia. I have been privileged to lead the NHVR as Chairman for the past five years and, when I step down in October, I will leave with total confidence that the NHVR has firmly positioned itself as a primary source of leadership and advice for all heavy vehicle critical reform priorities.

I am delighted at how the NHVR has become an integral part of the heavy vehicle industry. I thank everyone across the heavy vehicle industry and supply chain and our jurisdictional partners for their cooperation and collaboration in achieving this.

I also acknowledge the contributions of my Board colleagues, who have served with me since 2013, and the NHVR's CEO Sal Petrocchio.

Finally, I thank all the NHVR's staff, many of whom have come from operational areas outside the heavy vehicle industry to apply their knowledge and skills working with the regulator of one of Australia's most important and vibrant industries.

The Hon Bruce Baird AM
Chairman



CEO's report

During 2017-18, we continued to deliver a successful program of work to meet our strategic objectives and advance our vision of reforming national heavy vehicle safety, efficiency and productivity.

It was a maturing period, as we sought increased harmonisation and consistency in national reform, while also becoming more operationally focused in our service delivery.

We have undertaken a large, and at times complex, body of work to ensure that we are positioned to take up the opportunities and meet the challenges that come with technology, community expectations and the evolving heavy vehicle road transport industry.

The following were some of our key achievements in 2017-18.

A productive and efficient heavy vehicle industry

We continued to use technology to provide the tools and support requested by industry and make our role as a regulator simpler and more transparent.

- Our ongoing investment in the NHVR Portal saw improvements made to the Customer module to meet the needs of our growing customer base. Over 98% of all permit applications to the NHVR are now received and processed through the portal's Customer module.
- We released a new Road Manager module for the portal to support permit processing by more than 430 road managers in participating jurisdictions.
- Overall end-to-end road access permit processing time decreased by 44%.
- With the return of permit delegations from South Australia, the ACT and Victoria, we are now processing all heavy vehicle permit applications for Class 1, 2 and 3 vehicles in these jurisdictions.

Boosting heavy vehicle safety standards

There was strong emphasis on tackling safety through the release of new programs, standards, policies and education support for industry.

- We continued our ongoing national education and awareness campaign to inform industry of changes to amended CoR laws, which will commence on 1 October 2018. During 2017-18, we conducted more than 150 information sessions across Australia, including 43 sessions for primary producers.
- Following industry consultation, we released policy documents that will lay the foundations for the introduction of voluntary EWDs in 2018-19.
- We approved a Personal Use Exemption that provides more flexibility to operators using standard hours, with up to one hour of personal use of a heavy vehicle outside their regulated driving hours.
- We saw 24% growth in the PBS scheme, with the number of certified vehicle combinations increasing to 1,741.
- There are now almost 7,000 accredited operators in the NHVAS.

- We released a new version of *Vehicle Standards Bulletin 6: National Code of Practice for Heavy Vehicle Modifications (VSB6)*, following the largest review undertaken since the bulletin was first released in 1992.
- We convened the first meeting of a Safety Industry Operators Group, which played a key role in developing our new suite of SMS guidance.
- On behalf of the Commonwealth Government, we administered 12 projects in round two of the Heavy Vehicle Safety Initiative (HVSI) program, which provides funding for value-for-money, grassroots projects that deliver significant heavy vehicle safety benefits.

Targeted and effective compliance

We worked with our jurisdictional partners to advance safety and compliance.

- We leveraged our investment in technology with the commissioning of the Safety and Compliance Regulatory Platform, which combines national data in relation to compliance, registration, accreditation and licensing, supported by jurisdictional partners at the state, territory and federal government level.
- We were involved in three national compliance operations, involving authorised officers and police from seven states and territories, heralding a new era of cross-border cooperation.
- We facilitated the installation of Automatic Number Plate Recognition cameras at two new sites in Queensland and one in Victoria to better monitor heavy vehicle safety compliance. Cameras have now been installed at a total of 10 sites through HVSI funding.
- We successfully transitioned heavy vehicle on-road services from South Australia, welcoming new staff in our Adelaide and regional South Australian offices.
- We worked extensively with Tasmania's Department of State Growth in preparation for the transition of heavy vehicle services from Tasmania from 2 July 2018.

These, and the many other achievements in this report, are a credit to the NHVR's staff. It is their focus, commitment and exceptional skills that will ensure that we can meet the challenges ahead.

I would also like to acknowledge our customers and stakeholders for their cooperation and collaboration. It is this willingness to work with us that will enable us to create the balance between safety, productivity and effective regulation that we all seek.

Sal Petrocchio
CEO

About the NHVR

Australia's national heavy vehicle regulator

Headquartered in Brisbane, the NHVR is Australia's independent regulator for all heavy vehicles¹, established in 2013 under the HVNL as an independent statutory authority. Our functions and powers are set out in the HVNL.

Our vision is to have a *safe, efficient and productive heavy vehicle industry serving the needs of Australia*.

We aim to achieve this by:

- minimising the compliance burden on duty holders under the HVNL
- reducing duplication of, and inconsistencies in, heavy vehicle regulation across state and territory borders
- providing leadership and driving sustainable improvement to safety, productivity and efficiency outcomes in the heavy vehicle road transport industry.

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

We have a direct regulatory relationship with:



>39,000

Road freight
businesses²



>890,000

Registered heavy
vehicles³



>430

Road
managers⁴

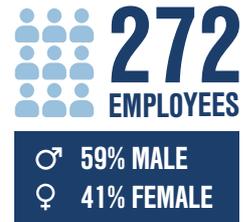
Our core services

We deliver a comprehensive range of services under a consistent regulatory framework. These include:

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

Our people

As at 30 June 2018, we had 272 full-time equivalent employees in Queensland, South Australia, Victoria and the ACT, with a mix of permanent, temporary, contract and seconded employees. From 2 July 2018, we will also have employees based in Tasmania.



Our values

People matter - we seek to understand, are respectful, set high standards, listen to others and do what we say we will.

Customer first - we work to understand our customers, are dynamic and responsive, strive for customer service excellence and accuracy, and act professionally in everything we do.

We add value - from start to finish, we do work that matters, challenge ourselves, and develop innovative ideas and solutions.

Strong partnerships - we build relationships, make proactive approaches and work collaboratively to set the direction of our work together.

1 A heavy vehicle is defined in the HVNL as a vehicle that has a gross vehicle mass (GVM) or aggregate trailer mass (ATM) of over 4.5 tonnes. The GVM of a vehicle is the maximum it can weigh when fully loaded, as specified by the manufacturer.
2 IBISWorld Road Freight Transport - Australia Market Research Report, June 2018.
3 NHVR Portal Registration Services module. Excludes Northern Territory vehicles.
4 Road managers implementing the HVNL.

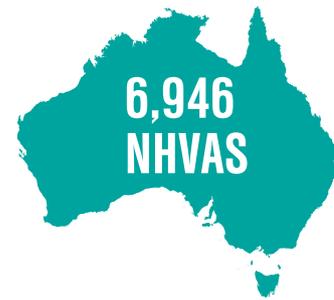
2017-18 highlights



SMS GUIDANCE LAUNCHED



EWD POLICY FRAMEWORK AND STANDARDS RELEASED



PARTICIPATING OPERATORS
↑5%



HELD DURING THE YEAR



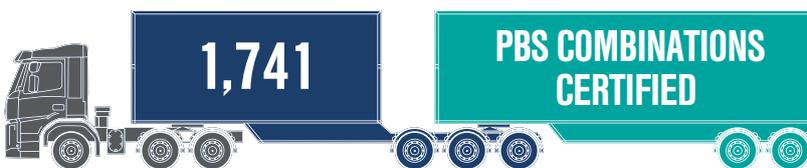
↑43%
DUE TO RETURN OF DELEGATIONS



SOUTH AUSTRALIAN HEAVY VEHICLE SERVICES TRANSITIONED



↑39%



↑24%



PRE-APPROVED ROUTES COVERING 329 ROAD MANAGERS
↑21%



↑92%



↑60%



60,260 CALLS THROUGH OUR CALL CENTRE
↑13.5%

Note: Trends displayed relate to performance in 2017-18 compared with 2016-17.

2 Report on performance

This section describes our performance against the four key result areas of our *2017-2020 Corporate Plan*. While it focuses primarily on the specific initiatives identified for 2017-18 and the annual indicators included in the National Performance Measures¹, we have also reported on our other key achievements for the year.

Performance statistics for key aspects of our operations are provided in Appendix A on pages 63-65.



¹ National Performance Measures are required under s.695 of the HVNL.

Our key result areas, challenges and opportunities

The four key result areas from our 2017-2020 Corporate Plan – and the challenges and opportunities they present – are outlined below.

Safety

Minimising harm to drivers and passengers, other road users and property associated with heavy vehicle incidents.

Challenges and opportunities

- Inconsistent and less effective safety outcomes currently occur against the background of uncoordinated national compliance, enforcement and assurance.
- Reducing serious injuries, fatalities, property and infrastructure damage and emissions involving heavy vehicles.
- Making safety the number one priority for all involved in heavy vehicle road transport and related activities.

Productivity

Maximising the economic value of the heavy vehicle road transport industry.

Challenges and opportunities

- Relevant laws and regulations are not expressed or applied consistently across jurisdictions and have been slow to change to meet new circumstances, thereby frustrating innovation.
- Addressing perceptions of an uncompetitive and inequitable operating environment (lack of a level regulatory playing field).
- Improving coordination and consistency in responding to the demands of the rapidly growing road freight task.
- Influencing the operating environment, including Australian Design Rules (ADR) and infrastructure planning, to enhance productivity.

Sustainability

Minimising the adverse impacts of heavy vehicles on Australia's roads and related infrastructure.

Challenges and opportunities

- Road network access is impeded by inadequate and ageing infrastructure.
- Road managers continue to prioritise asset preservation over the network's productive capacity.
- Heavy vehicle environmental performance has improved but, as road freight continues to grow, more environmental improvements will be needed.
- Embracing innovative technology that will influence vehicle design, compliance and assurance models and tools, and vehicle-to-vehicle and vehicle-to-infrastructure safety.

Regulatory capability

Ensuring the performance of efficient and effective regulatory functions and services.

Challenges and opportunities

- A complicated legislative framework exists that can be difficult to administer and implement.
- A complex operational and regulatory environment has existed, which has resulted in a lack of harmonisation.
- The national heavy vehicle dataset is fragmented, incomplete and difficult to access, limiting effective and responsive decision-making by the NHVR.
- Continuous improvement of our organisational performance to deliver efficient and effective regulatory services for the heavy vehicle industry.
- Engaging with stakeholders to create effective partnerships that translate into consistency and transparency for the heavy vehicle road transport industry.
- Continuing to develop as a progressive regulator that attracts and retains suitably capable, experienced and professional people.
- Further developing our place as a truly national heavy vehicle regulator across Australia.

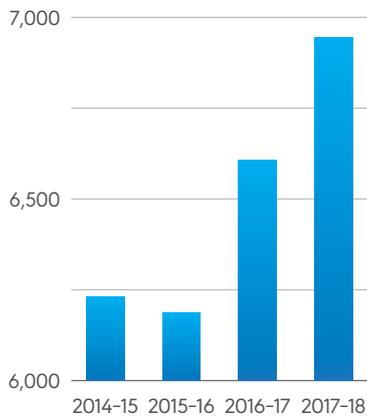
While we have commented on our performance against the National Performance Measures' annual indicators on pages 13-27 and 40-46, we have included a summary table on pages 28-31 for easy reference. Where an initiative or indicator applies to more than one key result area or National Performance Measure, we have only reported against this once.

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

✓ Achieved ⌚ In progress ✗ Not achieved

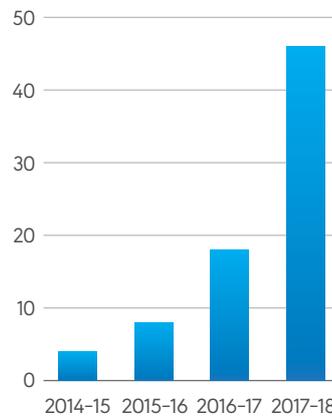
Performance snapshot

Operators participating in the NHVAS



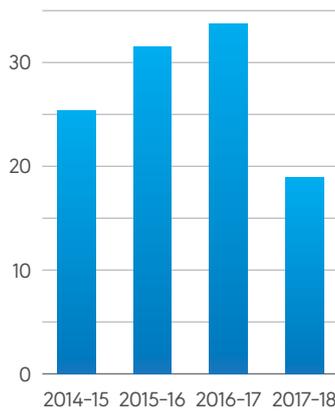
5% more operators participated in the NHVAS in 2017-18.

Vehicle modifications approved



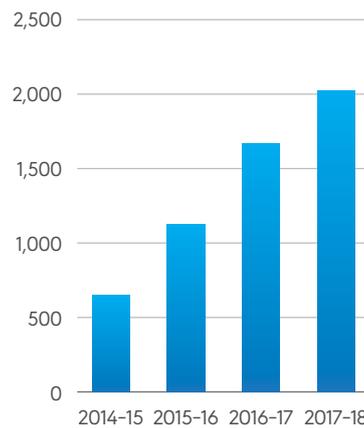
Vehicle modification approvals increased by 156% in 2017-18.

Road access permit end-to-end processing time (days)



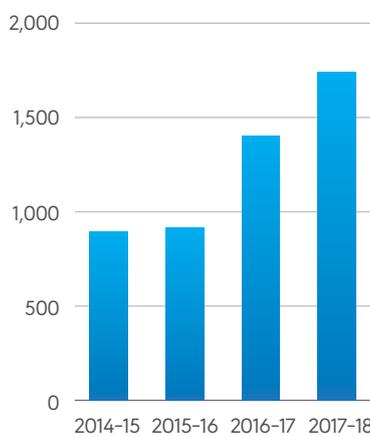
The average end-to-end processing time reduced by 44% in 2017-18.

Pre-approved routes



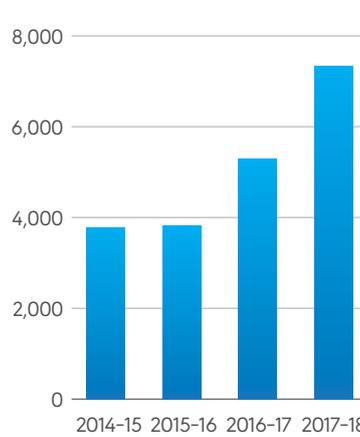
The number of pre-approved routes increased by 21% in 2017-18.

PBS vehicle combinations certified



The number of certified vehicle combinations increased by 24% in 2017-18.

Individual PBS units certified



The number of individual units certified grew by 39% in 2017-18.

Key result area: Safety

Objectives	Strategies
1.1 Risk-based safety standards for the heavy vehicle industry are established	1.1.1 Develop and maintain heavy vehicle safety standards, including entry and exit criteria
	1.1.2 Commence and maintain a regulatory reform program enabling a flexible and responsive approach to improving safety and productivity within industry
	1.1.3 Review the oversight and control of safety-related schemes and licensing
	1.1.4 Develop a heavy vehicle incident investigations analysis capability that focuses on causal factors and behavioural decision-making
	1.1.5 Monitor and analyse emerging technologies, safety-related trends, data and risk factors for the purpose of continuous improvement, risk and evidence-based decision-making
1.2 Assurance activities are consistent and effective	1.2.1 Develop a consistent approach to interventions and investigations incorporating national standards and methodologies
	1.2.2 Lead the development of a secure national compliance and assurance data and information-sharing framework
	1.2.3 Utilise Chain of Responsibility laws to drive compliant behaviour and best practice throughout the entire supply chain
1.3 The heavy vehicle industry is capable and committed to facilitating a strong safety culture	1.3.1 Establish joint safety initiatives with industry, partner agencies and other key stakeholders
	1.3.2 Deliver consistent and quality messaging in relation to Safety Management Systems, performance standards and effective risk management

Specific initiatives for 2017–18

Initiative	Status	Page
Develop Safety Management Systems, including the Safety Risk Management Framework	✓	14
Finalise the review of the NHVAS	Ⓕ	14
Continue progress with the Roadworthiness, EWD and NCIS programs	✓	15
Develop the NHVR incident reporting framework	Ⓕ	16
Develop the National Compliance Manual and National Investigations Manual to improve compliance and enforcement capabilities and consistency	Ⓕ	16–17
Continue to deliver the CoR education and awareness program to support the changes being implemented to the HVNL	✓	17, 43
Continue to work with industry to develop and adapt Industry Codes of Practice	✓	17



Risk-based safety standards, schemes and systems

Safety Management Systems launched

In May 2018, we released the first of our SMS tools for the heavy vehicle road transport industry. This freely available, user-friendly set of guidance material and templates provides a proactive, systematic process for managing operational safety risks. It includes the essential components of an SMS, including safety policy and documentation and, most importantly, safety risk management.

We are actively encouraging industry operators to build their own tailored SMS using these tools to assist in meeting their safety duty obligations under the HVNL and to strengthen the industry's safety culture.

In March 2018, we formed a Safety Industry Operators Group (IOG)(see page 41), which comprises small, medium and large operators, with the initial task of reviewing our SMS products to ensure that they are fit for purpose across various industry sectors. Longer term, the group will provide input into stakeholder engagement strategies, training content and other safety-related communication materials.

During 2018-19, we will be releasing the remaining SMS guidance and running educational seminars in all participating jurisdictions.

NHVR Safety Committee established

Central to enhancing our internal NHVR Safety Risk Management Framework was the establishment of the NHVR Safety Committee. Key areas of focus for the committee include:

- reviewing reports that track indicators of industry safety performance
- monitoring identified and emerging risks, and advising on their prevention, mitigation and management
- ensuring that appropriate and responsive actions are developed as a result of information and data obtained through regulatory activities, as well as incident and confidential reporting
- overseeing the development of a heavy vehicle incident investigations analysis capability that focuses on causal factors and behavioural decision-making
- continuing as the steering committee for ongoing development of the NHVR's Safety Program and associated assurance framework.

Strengthening the National Heavy Vehicle Accreditation Scheme

The NHVAS is becoming increasingly popular as a way of demonstrating compliance with general duty requirements under the HVNL. It is a voluntary scheme offering accreditation in three different modules - Mass Management, Maintenance Management and Fatigue Management - for operators who have robust and auditable management systems in place. The Fatigue Management module has two options - Basic and Advanced.

As at 30 June 2018, there were 6,946 operators participating in the scheme - a 5% increase from 2016-17.

During the year, new fatigue management training competencies for the NHVAS were approved. We also introduced the requirement for registered training organisations (RTOs) delivering training in these competencies to be approved by the NHVR. From 1 July 2018, any new fatigue management accredited drivers or schedulers must be trained in the new units by an NHVR-approved RTO.

We also commissioned an independent review into all heavy vehicle accreditation schemes in Australia. Consultants Fellows, Medlock and Associates examined a range of factors, including governance and oversight, rules and standards, and associated assurance activities. Once we have received their final recommendations, we will consider the implications for the NHVAS and the broader national accreditation framework.

Personal use exemption approved

Following extensive industry engagement, during the year we approved a user-friendly exemption to allow drivers of fatigue-related heavy vehicles up to one hour of personal use of the vehicle outside their regulated driving hours. The exemption, which came into effect on 1 February 2018, must be used for private or non-commercial activities, such as reaching suitable sleeping accommodation or restocking supplies for a trip, and can only be used under standard hours.

We received 60 submissions during the month-long consultation process on the proposed exemption, from industry associations, operators, drivers and government agencies, amongst others. More than 90% of submissions supported the more flexible arrangements.



Every year, approximately 200,000 WWDs are sold to drivers. Drivers record their work and rest on up to 20 million daily sheets. Recordkeepers collect, review and store these daily sheets for at least three years. As a result, at any one time in Australia there are as many as 60 million daily sheets being kept for regulatory purposes. This has very clear implications for cost, productivity and the environment. The introduction of EWDs will provide significant benefits across each of these.

Building on the roadworthiness baseline survey

During the year, we continued to develop the Risk-based Inspection Framework, using the data collected from the *National Roadworthiness Baseline Survey 2017 - A Health Check of Australia's Heavy Vehicle Condition* conducted in 2016-17. The framework will be used to guide on-road officers on which, when, why and how heavy vehicles should be targeted, rated on their potential impact on road safety.

In addition, with the aim of improving roadside compliance, on 1 July 2017 we introduced a new self-clearing defect notice for heavy vehicle defects that do not pose a safety risk. This means that an operator does not have to present the vehicle to an approved person to clear the notice for defects such as a cracked light lens, obscured number plate or a failed brake light, where all others are working.

Groundwork completed for Electronic Work Diaries

As a voluntary alternative to Written Work Diaries (WWDs), EWDs provide a means to improve safety through better management of compliance with fatigue rules. They also significantly reduce the administrative burden on the heavy vehicle industry by adopting a more sustainable approach to recordkeeping. During the year we achieved some major milestones towards the introduction of EWDs. These included:

- receiving the Transport and Infrastructure Senior Officials' Committee's (TISOC) endorsement in September 2017 of the NHVR's approach to delivering EWD operations
- an independent review of the EWD technical standards by the Australian Road Research Board (ARRB), which determined them 'technically robust' and achieving the policy intent

- releasing the EWD Policy Framework, Privacy Policy, Compliance Policy and Technical Standards on 28 May 2018, after addressing issues raised by jurisdictions and police, and following formal public consultation, which demonstrated majority support from industry
- our announcement, on 28 May 2018, that we would start accepting applications for EWD approvals from Australian and international companies.

By 30 June 2018, we received 46 notices of intent to develop an EWD from transport operators and technology providers. Each candidate system will be reviewed against the EWD standards. Regulatory fees for companies or individuals submitting candidate systems will be waived in the first year of operation. We will publish details of approved systems on our website.

In readiness for the introduction of EWDs, we have:

- released EWD guidelines for transport operators, recordkeepers, drivers and technology providers
- provided training in how to interpret EWDs to authorised officers, including police, in each participating jurisdiction
- invited applicants with candidate systems to demonstrate their concepts at our exhibit at MegaTrans 2018 - an international transport and logistics show.

In 2018-19, we will review recordkeeping requirements to identify and eliminate any unnecessary requirements, as well as WWDs to improve their usability for people with difficulties in English literacy.

Growing the National Compliance Information System

The NCIS enables a nationally coordinated approach to targeting unsafe and non-compliant behaviours. It delivers productivity benefits to compliant operators through fewer delays for roadside checks. The NCIS consists of a national set of heavy vehicle compliance and monitoring data, gathered using state and territory

cameras and monitoring systems, such as automated checking stations and Weigh-in-Motion sites, as well as jurisdictions' compliance and enforcement databases. The NCIS is also critical to the operation of the National Intelligence System.

The NCIS is supported by the National Safety Camera Network (NSCN) - a national network of cameras used to collect heavy vehicle compliance and monitoring data that feeds directly into the NCIS dataset, the Safety and Compliance Regulatory Platform (see page 26). In 2017-18, cameras were installed at two new sites in Queensland and one in Victoria. Additional cameras have now been installed at 10 new sites, funded by the HVSI. Further installations at four more sites are due for completion by the end of 2018.

During the year, we updated the National Camera Network Priority Location Report in consultation with jurisdictions and the Commonwealth Government. The report, which was a deliverable under the HVSI, identified an additional 49 potential new camera sites at which cameras are expected to be installed by completion of the NSCN. The report was delivered to responsible Ministers in May 2018.

To test and prove the value of the NCIS, during the year we worked with jurisdictions and partner agencies to conduct three on-road compliance operations across all jurisdictions except the Northern Territory. Operation Wake-Up (September 2017) focused on driving hours and fatigue management, Operation Harvest (November 2017) looked at the safe movement of agricultural machinery, and Operation Spanner (February 2018) targeted roadworthiness and speed limiter compliance.



Consistent and effective assurance activities

An overarching incident response framework

The NHVR Incident Reporting Process establishes the methodologies by which we become aware of, monitor, analyse and respond to heavy vehicle incidents on Australia's roads. This is an important component of our broader assurance framework and will assist us to identify causal factors in heavy vehicle incidents. Development of the Incident Reporting Process has been supported by the ongoing expansion of our intelligence capabilities and data acquisition strategies.

We are currently developing a regulatory and intelligence database, without which our ability to analyse, report and respond is entirely contingent on third party information. The database and associated skillsets will inform the safety metrics, and subsequently the strategic and tactical responses to incidents and knowledge of emerging trends and risk factors.

In addition, in collaboration with relevant agencies, such as police and agencies in participating jurisdictions, we are reviewing and amending Memoranda of Understanding (MOUs) and other agreements to allow us to receive details of reported heavy vehicle incidents faster and more effectively.

Adopting a nationally consistent approach to compliance and investigations

In September 2017, we delivered a full suite of operating procedures for our Safety and Compliance Officers in South Australia to inform and direct their on-road compliance activities. In preparation for the transition of services from Tasmania to the NHVR on 2 July 2018, we revised and updated these NHVR Safety and Compliance Work Procedures to support our Tasmanian operations.

These procedures, which we will amend as required to include state- and territory-specific processes, are the foundation documents of our National Compliance Manual. The manual will ensure that heavy vehicle safety and compliance activities are delivered across partner agencies in a safe, professional and consistent manner that reflects the requirements of the HVNL and any nationally agreed policy positions.

During the year, we introduced a National Investigator Development Program to improve consistency in the application of the HVNL. This commenced in April 2018, when we conducted an

Facilitating compliance with national vehicle standards

In 2017-18, as the responsible authority for the application of the Heavy Vehicle (Vehicle Standards) National Regulation, we issued the following:

- 226 Vehicle Standards exemption permits – a 5% reduction compared to 2016-17
- 293 letters of in-principle support – a 32% increase compared to 2016-17
- 46 modification approvals – a 156% increase compared to 2016-17.

Over 38% of Vehicle Standards applications were processed within 10 business days and more than 62% were issued within 15 business days. Processing times increased during 2017-18 due to the increasing complexity of applications, with simpler applications having been transitioned to notices.

New notices, bulletins and procedures

During the year, we continued to work closely with industry representatives to review and publish the following to facilitate compliance with national vehicle standards:

Vehicle Standards Bulletin 6 Version 3

In September 2017, we published the third version of *Vehicle Standards Bulletin 6: (VSB6) – National Code of Practice for Heavy Vehicle Modifications*. This was developed following a comprehensive review of VSB6, and includes new technical guidelines, updated diagrams and guidance material, simplified standards, new modification codes and a more modern design. The new bulletin will help industry understand what modifications

can and cannot be made to a heavy vehicle to remain compliant with national vehicle standards.

Roller brake testing procedure

Following industry-wide consultation and studies on brake testing methods, in February 2018 we released a new roller brake testing procedure to ensure a nationally consistent approach during regulated vehicle safety inspections and on-road compliance activities.

Vehicle Standards Guides

During the year, we published nine Vehicle Standards Guides and updated a further five to ensure that they remain current and up to date. These guides are part of our approach to ensuring that industry is kept informed about the Vehicle Standards and other technical issues, by providing plain English information about complex technical issues or emerging hot topics.

Partially Completed Vehicles Notice

Following feedback from truck manufacturers, in June 2018 we published the *Partially Completed Vehicles Notice*, which will help:

- streamline the process for manufacturers to move partially completed or newly manufactured vehicles safely and legally
- provide necessary exemptions for new and partially completed vehicles
- allow manufacturers to move a vehicle for a particular purpose, prior to its first registration.

Investigator Foundations course, attended by investigators from all participating jurisdictions, as well as Western Australia. The second stage of the program will comprise a safety-duties-specific module, with the first session to be delivered in August 2018.

In addition, we are developing a National Investigations Manual, which includes standards and procedures for NHVR investigators and all those who deliver these services on our behalf.

Preparing for CoR changes

The amended CoR laws under the HVNL will deliver highly significant reforms for heavy vehicle safety. Under these amended laws, everyone in the heavy vehicle supply chain will be required to take steps to deliver a safer road transport industry, with many companies looking to new or improved SMSs.

During the year, we continued to roll out our national CoR education and awareness program to ensure that all affected stakeholders are aware of their safety and compliance obligations, which are planned to commence on 1 October 2018. As part of this program, in 2017-18 we:

- delivered all 51 of the CoR education sessions we had planned for the year
- delivered an additional 105 CoR industry education sessions in response to stakeholder requests
- provided support materials for industry, including a CoR Gap Assessment Tool, Frequently Asked Questions and telephone support to answer enquiries
- produced sector-specific videos and fact sheets for local government and farmers
- developed SMS guidance material to support small and medium businesses
- worked closely with major influencing businesses to assist in reaching smaller operators to encourage them to adopt safe practices and, in particular, an SMS
- delivered presentations on the impending changes to authorised officers in participating jurisdictions.

Feedback from the 51 planned CoR education sessions indicated that over 99% of the industry participants who completed feedback forms were satisfied with the session's content and materials provided. In addition, a survey¹ of 1,500 industry operators conducted in April-May 2018 found that 82% of those surveyed were aware of the forthcoming changes to the law, predominantly through NHVR information sessions and publications.

A capable and committed heavy vehicle industry

In addition to joint operations, such as those undertaken through the NCIS, we worked closely with industry and partner agencies on a range of safety initiatives (see page 46), including the development of a Master Industry Code of Practice (Master Code).

The Australian Logistics Council (ALC) and the Australian Trucking Association (ATA) led the development of the Master Code, supported by Commonwealth Government funding through the HVSII. The Master Code sets industry standards that address the management of speed, fatigue, vehicle standards, mass, dimension and loading, and safety, particularly as they relate to the 1 October 2018 CoR amendments. Once registered, it may be used as evidence in court of what is known about a hazard or risk, risk assessment or risk control.

The draft Master Code will undergo a month-long public feedback process in July 2018, after which it will be assessed by a qualified and experienced panel before being registered by the NHVR under s.706 of the HVNL.

We have also approved the development of the Log Haulage, Livestock and Crane Transport Industry Codes of Practice, which we expect to receive for assessment later in 2018.

All Registered Industry Codes of Practice will be published on our website.

Looking forward

In 2018-19, we plan to:

- deliver more SMS guidance materials to industry and continue our education program
- complete the NHVAS review, including revised business rules and standards
- implement a national approach to the management and clearance of defect notices
- establish the EWD service delivery function as a voluntary alternative to WWDs
- investigate how we can support the introduction of fatigue monitoring devices
- enable Vehicle Standards applications through the NHVR Portal
- continue development of the NCIS, including increasing the NSCN and receiving camera and on-road intercept and inspection data from all participating jurisdictions to our Safety and Compliance Regulatory Platform (see page 26) as part of our national compliance dataset
- establish an ongoing information-sharing arrangement with regulatory agencies and police forces
- complete the CoR awareness and education program
- drive improvement and consistency in road access decisions through our analysis of trends identified from the NHVR Portal Road Manager module
- provide guidance on and assess additional Industry Codes of Practice
- continue the development of the Investigator Development Program through additional training modules
- continue building the National Intelligence System.



Key result area: Productivity

Objectives	Strategies
2.1 Heavy vehicles are operating on road networks through an efficient, consistent and productive framework	2.1.1 Develop, review and refine legislation, standards and operational policy to support efficient and consistent operation of heavy vehicles on the networks
	2.1.2 Increase the proportion of the total network accessible by a broader range of heavy vehicles (including higher-productivity vehicles) through pre-approvals or under notice arrangements
	2.1.3 Increase industry's knowledge and awareness to facilitate consistent, timely, productive and efficient outcomes
2.2 Heavy vehicle access decisions are timely, transparent, fairly considered and applied consistently	2.2.1 Enhance road manager capability and knowledge to support access decisions and improve the turnaround time for access decisions
	2.2.2 Collect and analyse data on decisions made by road managers and facilitate their decision-making
2.3 The development and adoption of innovative technology and research that delivers productivity benefits to industry is supported	2.3.1 Increase ease of access for operators who use in-vehicle monitoring technology to enhance safety
	2.3.2 Optimise access for higher-productivity vehicles and reduce the need for permits for low-risk vehicles

Specific initiatives for 2017-18

Initiative	Status	Page reference
A planned and structured return of road access permit delegations from jurisdictions	✓	19
Continue to reduce the number of permits required to be issued under the HVNL through the further development and use of national notices	⌚	19
Make further improvements to the NHVR Portal	✓	20
Establish further MOUs with local government associations and road managers	⌚	20
Continue to work with local government to improve their understanding and knowledge of higher-productivity vehicles and associated benefits	✓	21
Review the PBS scheme to facilitate greater participation	⌚	21, 23



In March 2018, we worked with the Department of Planning, Transport and Infrastructure and City of Port Adelaide-Enfield to pre-approve 33 additional roads across Adelaide's northern and western suburbs. This reduces permit application times and allows the continued safe movement of heavy vehicles up to 30 metres in length. This geographical area is one of South Australia's major freight hubs, and the initiative will deliver greater efficiency and productivity for South Australia's OSOM industry.

Efficient, consistent and productive framework

A single source of permits

In 2017-18, we received a total of 33,365 single road access permit applications from customers, representing a 43% increase from 2016-17. The increase was within the expected levels and has been driven by the permit function returning from some jurisdictions to the NHVR.¹ Table A.1 on page 63 provides more statistics about overall performance with respect to road access matters.

We continued to monitor road access permit end-to-end processing times closely.

- Overall end-to-end processing time dropped from an average of 33.76 days to 18.89 days for all types of road access applications.²
- The NHVR processing time across all application classes increased to an average of 7.11 days in 2017-18. This figure includes applications from the Department of Defence, which have a very high complexity and are therefore managed directly by the Department of Defence on site at our Brisbane office. We continued to prioritise oversize, over mass (OSOM) applications, which in June 2018 had an average NHVR processing time of 2.83 days (with the exception of Department of Defence applications). These figures are inclusive of weekends.
- Local government road manager consent turnaround times are continuing to trend downwards, reducing to an average of 5.2 days.

- State and territory road manager consent turnaround times have fallen to an average of 4.37 days.

The Return of Delegations Project progressed significantly and successfully during the year. We are now issuing Class 1, 2 and 3 heavy vehicle access permits for all cross-border movements in participating jurisdictions, and also intrastate movements within the ACT, South Australia, Tasmania and Victoria, and have delivered relevant training to customers and road managers around the country. We are working with responsible authorities in Queensland and New South Wales to allow a seamless transfer of remaining delegated responsibility over road access matters back to the NHVR.

Facilitating access

The road manager for the 'first and last mile' of most routes is often a local government. We have been working extensively with local government road managers to increase the number of pre-approved and gazetted routes to streamline processes and improve access to the road network. This investment in time and effort is delivering improvement in road access permit turnaround times.

The pre-approval and gazettal processes manage demand by targeting routes that are expected to experience large numbers of vehicle movements, particularly by OSOM vehicles. Roads in industrial areas and access routes connecting existing approved routes or state- and territory-controlled roads are a focus in this process. In 2017-18, we increased the number of pre-approved routes by 21% from 1,669

to 2,025 (see Table A.2 on page 63). Gazetted heavy vehicle networks increased by 21% from 343 to 415 in the same period.

We delivered 15 new access notices during the year across various jurisdictions, each of which has reduced the number of permits required to provide heavy vehicle access. Some had a particularly significant impact in the jurisdiction concerned, such as the *South Australia Class 3 Heavy Vehicle 23m Truck and Dog Trailer Mass and Dimension Exemption Notice 2017*, which reduced the number of Class 3 permit applications for South Australia by around 80%.

We have also progressed our National Harmonisation Program (NHP). This aims to minimise the compliance burden on the heavy vehicle transport industry by eliminating inconsistent access conditions across state and territory borders. The initial work program includes the development of the following four priority national notices and associated networks:

- B-double
- Higher Mass Limits (HML)
- road train
- agricultural vehicle and combination.

During the year, we released issues papers for each of these, formed an NHP Working Group with jurisdictions and conducted extensive engagement with road managers. In June 2018, we sought consent from all road managers to the existing B-double networks and the continuation of current general access arrangements, with the aim of introducing a harmonised *National Class 2 B-double Authorisation Notice* before the end of 2018.

¹ Various delegations given by the NHVR to state and territory agencies to make certain road access decisions on its behalf are being progressively withdrawn after consultation with agencies and as the NHVR strengthens its capacity to deal with the relevant types of applications.
² Includes NHVR processing time, road manager consent turnaround time and any customer liaison time.

"Local government road managers who use the NHVR Portal now have access to better quality data, a better communication process that is transparent and trackable, and the council saves on administrative costs due to more efficient end-to-end processing," Robbie Chow, Heavy Vehicle Access Liaison Officer, LGAQ.

Faster, better-informed access decision-making

New portal features enhance user experience

The release of our online NHVR Portal Customer and Road Manager modules has now seen over 60,000 permit applications processed through the portal, with over 12,000 registered users of the NHVR Access module.

In 2017-18, we rolled out a number of new features in the NHVR Portal, enabling operators, road managers and our staff to interact on the same technology platform. Through the introduction of the Road Manager module, road managers can now respond to consent requests online instead of by email, reducing turnaround time. There is also a permit library, allowing improved and easier records management.

These additional features have created a shared view of permit activities and processing in the portal for road managers and customers, so that each can monitor progress through the stages of the application process.

The Access Portal Enhancement Project, commencing in July 2018, will prioritise features to improve the customer and road manager experience. Key areas of focus will be pre-approvals, gazettals and automated permits.

Close working relationships achieve access benefits

Our MOUs with the local government associations (LGAs) in Queensland and South Australia saw strong cooperation in 2017-18 towards progressing greater heavy vehicle road access in those states. In Queensland, this arrangement includes a dedicated resource at the Local Government Association of Queensland (LGAQ). While we have yet to enter into formal MOUs with other jurisdictions, we have a strong ongoing relationship with local governments in all participating jurisdictions and, during the past year, together we have achieved the expansion of the approved road network for heavy vehicles and improved arrangements for processing heavy vehicle access permits.



REGISTERED USERS OF THE
ACCESS MODULE



PERMIT APPLICATIONS PROCESSED
THROUGH THE NHVR PORTAL



Our Chief Engineer Les Bruzsa was honoured during the year for leading continuous improvement in heavy vehicle regulation and standards, when he received the ATA's prestigious Castrol Vecton Industry Achievement Award. The award recognises technical innovation and achievement in the Australian trucking industry.

A Fellow of Engineers Australia, Les is affectionately known throughout the industry as the 'Quadfather' for his contribution to the transport engineering industry, expertise in the areas of PBS, heavy vehicle dynamics, computer simulation and heavy vehicle technology, and for pushing the boundaries of innovation to manage the increasing freight task.

Innovative technology delivers productivity benefits

The PBS scheme¹, a world-leading program, gives Australia's heavy vehicle industry the opportunity to achieve higher productivity, safety and sustainability through innovative and optimised vehicle design. PBS vehicles are designed and built to improve productivity for a given freight task, approved to operate on specific road networks, use the latest technologies and systems, and make the least possible impact on road infrastructure.

In 2017-18, the number of PBS vehicle approval applications we received grew by 18% - increasing from 1,258 in 2016-17 to 1,486. Of these, we approved 1,466 - a 17% increase - bringing the total individual units approved under the PBS scheme as at 30 June 2018 to 7,344.

The significant penetration of PBS-approved vehicles into the Australian market was highlighted in *Performance Based Standards - Australia's PBS Fleet*,

a joint report that we published with the Australian Road Transport Suppliers Association (ARTSA) in May 2018.

During the year, we continued to work with local government to create better understanding and knowledge of higher-productivity vehicles by promoting their benefits at Regional Organisation of Councils (ROC) meetings, and delivering a PBS presentation and vehicle display at the Central West Heavy Vehicle Breakfast Forum in Forbes in Central West New South Wales.

Pre-advised PBS approvals expanded

The pre-advised approval process allows us to assess and approve PBS combinations without submitting the application to the PBS Review Panel. The process now covers over 85% of all design approval applications, reducing application-processing times for applicable vehicles from an average of four weeks to just three business days.

In April 2018, we added 3- and 4-axle truck and 5- and 6-axle dog combinations up to 26 metres long and 73 tonne GCM² to our list of vehicles classed for PBS pre-advised design.

We have also developed and introduced a simplified process for assessing and approving minor modifications of PBS design approvals. These changes have significantly improved the efficiency of the PBS scheme.

We had planned to undertake a full review of the PBS scheme in 2017-18. We have deferred the start of the review to enable us to contribute to, and incorporate any outcomes from, the National Transport Commission's (NTC) *Reforming the Performance-Based Standards scheme Policy paper* - a review of the PBS scheme and its operating marketplace released in May 2018. Based on the recommendations of this report, we have developed a communications action plan to promote the benefits of the PBS scheme, including a *PBS for Road Managers* kit and demonstration days for local government road managers.

¹ Performance Based Standards - see Part 1.4 and related provisions of the HVNL.
² Gross combination mass.

Thanks to a PBS-approved, 20-metre, 28-pallet, quad-axle refrigerated trailer designed by Maxi-TRANS' Maxi-CUBE division, Melbourne's Thurwood Interstate Transport can now manage the same freight task with six fewer trips a month, removing 72 truck movements a year.

Featuring a steer axle at the rear of the quad set, the 28-pallet reefer is one of the most productive single trailers of its kind on Australian roads. With space for six more pallets than a standard refrigerated van, Thurwood has seen a 27% increase in productivity when transporting fresh produce up and down the eastern seaboard.

Looking forward

In 2018-19, we plan to:

- complete the Return of Delegations Project, with the return of the remaining delegations from Queensland and New South Wales
- introduce the harmonised *National Class 2 B-double Authorisation Notice* and progress further national notices
- implement the Access Portal Enhancement Project
- progress our review of the PBS scheme, building on the work of the PBS marketplace review and its recommendations
- continue to promote the benefits of PBS vehicles to road managers, industry and the broader community.



Key result area: Sustainability

Objectives	Strategies
3.1 The use of higher-productivity vehicles is increased in order to minimise the impact of heavy vehicles on the environment	3.1.1 Improve the level of access for higher-productivity vehicles
3.2 Heavy vehicle access to the national network is sustainable and optimises network performance	3.2.1 Work with road managers to preserve their assets in accordance with their lifespan, while seeking higher productivity
	3.2.2 Ensure key stakeholders and partners are well informed of their roles in delivering sustainable access to network infrastructure
	3.2.3 Seek to influence national heavy-vehicle-related infrastructure priorities to address critical bottlenecks and optimise network productivity
3.3 The heavy vehicle industry continues to improve its environmental performance	3.3.1 Determine the current state of environmental performance across the heavy vehicle fleet
	3.3.2 Integrate environmental testing into vehicle standards, roadworthiness and operator programs
	3.3.3 Support the heavy vehicle industry in setting progressive national sustainability targets in line with international standards

Specific initiatives for 2017-18

Initiative	Status	Page reference
Review the PBS scheme to facilitate greater participation		21, 23
Continue progress of the Roadworthiness Program		23
Continue to enhance the key freight routes across the country		23
Continue to work with AARB on the development and support of the Restricted Access Vehicle Route Assessment Tool		23
Develop and implement the road manager risk assessment framework		23

Minimising environmental and community impact

Expanded PBS fleet brings sustainability benefits

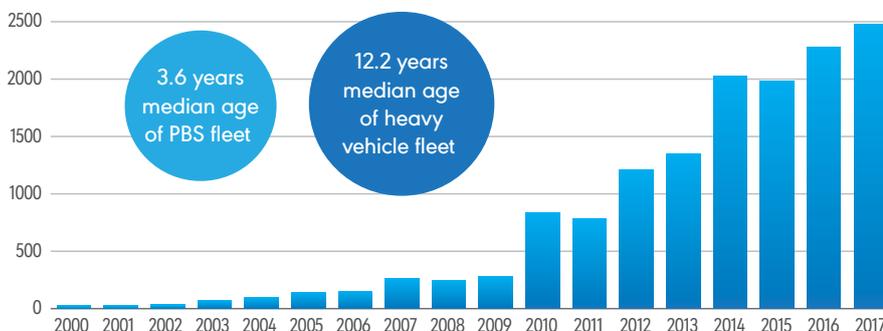
Growth in the number of PBS vehicles on our roads is resulting in significant safety, productivity and sustainability benefits for industry and the community. This was clearly reinforced by the findings of the NTC's *Reforming the Performance-Based Standards scheme Policy paper*.

According to the paper, in addition to improving productivity by an average 15-30%, PBS vehicles deliver substantial environmental and community benefits including:

- fewer heavy vehicles on the road
- savings of an estimated 94 million litres of fuel in 2016, which in turn reduced carbon dioxide emissions by around 250,000 tonnes annually
- less impact on road assets compared to prescriptive vehicles¹, saving approximately \$65 million in road maintenance expenses in 2016.

PBS vehicles also have a median age of just under four years, compared with over 12 years for the heavy vehicle fleet as a whole.² This younger PBS fleet has considerable advantages in terms of better safety equipment, reduced environmental impact due to improved technology and fewer maintenance demands compared with older vehicles. They are also involved in 46% fewer crashes per kilometres travelled than conventional vehicles.

Year of manufacture PBS fleet



Source: *Performance Based Standards – Australia's PBS fleet* NHVR and ARTSA May 2018

1 A prescriptive vehicle is a vehicle or combination that complies with the mass, dimension and vehicle standards requirements as described in the HVNL, regulations and the ADR.

2 *Performance Based Standards – Australia's PBS fleet* NHVR and ARTSA May 2018.

3 As available under the law without special authority or exemption.

4 A swept path analysis is the calculation and analysis of the movement and path of different parts of a vehicle when that vehicle is undertaking a turning manoeuvre.

Progressing our roadworthiness program

Improved heavy vehicle roadworthiness can help contribute to better road safety outcomes and can support community confidence in heavy vehicle safety. The *National Roadworthiness Baseline Survey 2017 – A Health Check of Australia's Heavy Vehicle Condition*, completed in June 2017, provided us with a national baseline for the condition of the heavy vehicle fleet against which we will be able to measure the success of future reform initiatives.

As a first step, in 2017-18 we began work on developing a nationally consistent approach to managing defects, including the recording and clearance of defect notices. We will advance this in 2018-19, as part of a combined package of work with our other safety and compliance activities.

The Risk-based Inspection Framework concept developed in 2017-18 will be tested and validated with the support of jurisdictions and the development of the Safety and Compliance Regulatory Platform (see page 26).

Optimising heavy vehicle network access

Working group to lead key freight routes identification

During the year, we continued to work towards enhancing key freight routes across the country to achieve 'as of right' access³ for higher-productivity vehicles (25- and 26-metre-long B-doubles and PBS Level 2A and 2B combinations) on routes considered critical to the national freight task. While we had some success, we considered that the existing approach to identifying key freight routes could be improved, as access requests from industry were highlighting previously unidentified gaps.

In November 2017, responsible Ministers endorsed a new approach to identifying key freight routes and addressing freight disconnects using road access permit application data received directly from industry through the NHVR Portal. A Key Freight Routes Working Group is being formed with jurisdictional representatives to progress this work.

Facilitating access decisions

During the year, we developed an MOU with ARRB to implement a partnership model for funding the Restricted Access Vehicle Route Assessment Tool (RAVRAT), as well as ongoing system improvements.

The RAVRAT is a web-based expert system developed by ARRB and partners, including the NHVR, to enable local government practitioners to complete heavy vehicle route assessments in line with PBS and OSOM route classification guidelines. Using the RAVRAT results in the consistent application of a heavy vehicle route assessment process across local government areas, facilitating certainty of operations for industry and ensuring that heavy vehicles granted access to local roads can operate safely in that environment.

The MOU outlines a phased approach, where phase one will incorporate a link to the RAVRAT on the NHVR Portal, followed by the system's full integration into the NHVR Portal. We also began investigating further functionality enhancements to the RAVRAT, including basic bridge assessment and swept path analysis⁴.

In addition, Queensland's Department of Transport and Main Roads (TMR) is working with the LGAQ to develop a technical guide for road access that adopts a risk assessment approach to making road access decisions. We will review this guide with the intention of incorporating relevant findings into a risk assessment matrix as part of our Road Manager Toolkit.

Looking forward

In 2018-19, we plan to:

- complete the development of our risk assessment matrix for road managers
- continue to highlight the environmental benefits of PBS vehicles through our joint promotional activities with jurisdictions, local government road managers and industry.

Key result area: Regulatory capability

Objectives	Strategies
4.1 We are recognised as Australia's single national heavy vehicle regulator, the primary source of leadership and advice for all critical heavy vehicle reform priorities	4.1.1 Transition operational legislation and regulatory development from the NTC to the NHVR
	4.1.2 Strengthen national harmonisation through an overarching regulatory framework
	4.1.3 Develop and establish regulatory assurance and risk management frameworks to drive evidence-based decision-making to support our regulatory functions and activities
4.2 Our national regulatory services are efficient and effective	4.2.1 Develop sustainable, cost-effective funding arrangements that deliver value for money
	4.2.2 Align functions and capabilities to meet the future demands of delivering regulatory services nationally
	4.2.3 Enhance our service delivery capability in a way that aligns with a defined and effective service delivery model
	4.2.4 Evaluate, refine and manage our agreements with third parties
4.3 Efficient, effective governance, business processes and systems meet user needs and supports effective decision-making	4.3.1 Continuously improve our governance arrangements to deliver fair, open, transparent and accountable decision-making
	4.3.2 Establish an integrated information platform that supports the delivery of our regulatory oversight and services and provides a single national source of data
4.4 Strong stakeholder and partner relationships facilitate achievement of improved regulatory outcomes	4.4.1 Regular, effective and targeted engagement with industry
	4.4.2 Continue to build more effective, supportive and responsive relationships with local and state road managers
	4.4.3 Continue to build effective and constructive relationships with counterpart heavy vehicle regulatory agencies and police forces
4.5 A safe working environment and a high-performing, collaborative culture	4.5.1 Ensure our workplace health and safety priorities are included in our organisation-wide safety program
	4.5.2 Attract and retain appropriately skilled staff and optimise their capability and performance
	4.5.3 Embed and give effect to our values

Specific initiatives for 2017-18

Initiative	Status	Page reference
Continue the transition of service delivery responsibility from the jurisdictions to the NHVR through the National Services Transition Program	✓	25
Complete the transition of scheduled services from South Australia, including the establishment of a new NHVR office in Adelaide	✓	25
Complete the third Cost Recovery Study Project against service agreements with participating jurisdictions and implement findings	✓	26
Develop our National Services Catalogue	L	26
Develop the Regulatory Safety Program	L	26
Design and commence development of the Safety and Compliance Regulatory Platform	✓	26
Continue to implement projects from the Commonwealth grant funding for road safety initiatives (HVSII)	✓	46

Transitioning to Australia's single national heavy vehicle regulator

HVNL amendments progressed

On 31 January 2018, we signed an MOU with the NTC, reflecting TISOC's decision that the NTC transfer responsibility for operational policy and routine maintenance of the HVNL to the NHVR.

As part of this transfer of responsibility, we progressed amendments to the HVNL regulations for commencement on 1 July 2018. We are also currently proposing further amendments to the HVNL, which are anticipated to commence in mid-July 2019, once approved by responsible Ministers.

Amendments to the HVNL and regulations commencing 1 July 2018 include:

- increase 2-axle bus mass limit from 16 tonnes to 18 tonnes, if certain safety features are installed
- allow vehicles to be carried on a prime mover of a 26-metre B-double vehicle carrier
- clarify that length dimension does not apply to trailers
- increase accreditation fees from \$27 to \$32
- introduce an HML fee
- introduce new requirements for displaying warning signs, flags and side markers
- update power requirement for warning lights

- reduce red tape for vehicle operators who voluntarily fit their vehicles with conspicuity markings that comply with the ADR
- allow removable load restraint equipment to be included in the width measurement for vehicles
- update reference to ADR 80 for complying steer axle vehicles
- ensure relevant ADR clauses remain applicable.

National Services Transition Program running to plan

In February 2016, the NST Program was established to facilitate the transition of HVNL regulatory functions and services from participating jurisdictions to the NHVR with the aim of:

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

South Australia was the first state to start the transition when, in July 2016, three services – investigations, prosecutions and intelligence gathering – were transferred to the NHVR from the Department of Planning, Transport and Infrastructure. In October 2017, the second phase of transition was completed, with the transfer of on-road heavy vehicle safety and compliance, heavy vehicle access permit issuing, and heavy vehicle driver and operator fatigue monitoring through Safe-T-Cam.

We now have officers located at our South Australian head office in Adelaide, as well as at regional offices in Berri, Ceduna, Mount Gambier, Murray Bridge and Port Augusta.

Transition of the third and final phase of services is due to be completed in 2020-21.

Tasmania will be the second state to transition heavy vehicle regulatory services to the NHVR. From 2 July 2018, we will become responsible for delivering the following services previously delivered by the Tasmanian Department of State Growth:

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

NHVR officers will service the state from our Tasmanian head office in Launceston and a regional office in Burnie.

The success of these service transitions has been largely due to our strong partnerships with, and the excellent cooperation we have received from, the Department of Planning, Transport and Infrastructure in South Australia and the Department of State Growth in Tasmania throughout the process.

We are now working closely with New South Wales, Victoria and the ACT to begin the service transition process in these jurisdictions, with the full transition of services planned to occur at different stages over the next two years. The final jurisdiction scheduled to transition services is Queensland in 2021.



Efficient and effective national regulatory services

Third Cost Recovery Study Project conducted

During the year, we conducted the third Cost Recovery Study Project, covering the 2016–17 period. Combined with the first two studies covering the periods 2014–15 and 2015–16, this study provides us with a longitudinal dataset to understand how service provision is changing over time. It informs future policy and funding decisions around heavy vehicle regulation, the activities of each jurisdiction and the NHVR. Additionally, it provides us with an insight into jurisdictional processes and procedures associated with provision of the services that are being transitioned to us.

Services catalogue promotes common understanding

During the year, we developed our NHVR Services Catalogue in consultation with participating jurisdictions. The catalogue aims to promote a common understanding of what we do. It describes our core regulatory service delivery functions – whether delivered directly by us or by jurisdictions or other third parties on our behalf – and includes key products and outputs, performance standards and, in future, costs relevant to each function. The catalogue is undergoing final review and is expected to be published in early 2018–19.

Every year we work with participating jurisdictions to ensure appropriate service level agreements (SLAs) are in place that set out the services each jurisdiction is delivering and the cost of these services. In November 2017, we established the National Services Management Working Group (including representatives from all participating jurisdictions) with the initial aim of reviewing the current SLA format and providing feedback on the NHVR Services Catalogue.

The working group also discussed the potential to develop an annual NHVR National Services Statement, detailing the service delivery mix across the country, as well as a reporting framework to provide key data insights about outcomes delivered by both the jurisdictions and the NHVR.

A national approach to compliance and enforcement

We have developed a draft National Compliance and Enforcement Policy for review by our jurisdictional stakeholders. The policy outlines the risk-based approach being adopted by the NHVR and partner agencies when planning and undertaking heavy-vehicle-related compliance and enforcement activities.

The principles will ensure that all compliance activities and any resulting enforcement responses are planned and undertaken in a nationally consistent, proportionate, fair, risk-based and intelligence-led manner, in line with best practice regulatory standards. This policy, which will be finalised and implemented in 2018, will be publicly available on the NHVR website, and will form the basis of heavy vehicle compliance and enforcement activities nationally.

Fit-for-purpose governance, business processes and systems

Development of Regulatory Safety Program initiated

The Regulatory Safety Program is the NHVR's own internal SMS, focusing on the continuous improvement of heavy vehicle safety regulation. It enables us to develop and deliver effective regulatory oversight of the heavy vehicle industry by identifying and responding to safety risks in a coordinated and efficient manner.

The program is a vital and ongoing piece of work, which has been initiated through the establishment of a guiding committee, the NHVR Safety Committee (see page 14). Work has been undertaken throughout the NHVR to coordinate the collection of information and creation of intelligence that will form the foundations on which risk-based and evidence-based decisions can be made.

Safety and Compliance Regulatory Platform commissioned

Our Safety and Compliance Regulatory Platform program has delivered a state-of-the-art digital platform service for the NHVR. It provides the foundation and future capability for all safety and compliance platform information storage, analytics and reporting functions.

Following extensive readiness and assurance activities, the platform was commissioned on 29 June 2018, enabling

registration data to be received from Austroads' National Exchange of Vehicle and Driver Information System (NEVDIS) through our Registration Data Acquisition Project from 1 July 2018.

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

The program has begun its agenda for the acquisition of national safety and compliance data, which will provide further advancements in analytics and intelligence capabilities. Secure information sharing within the NHVR and with our partners and law enforcement agencies will be a priority for the program in 2018–19.

Building our intelligence capability

We are continuing to build our National Intelligence System to deliver an intelligence-led, risk-based approach to compliance and enforcement, and position ourselves as the leader in heavy vehicle intelligence analytics in Australia. During the year we:

- completed our Intelligence Capability Framework, which provides an overarching approach to our intelligence function, incorporating systems, intelligence analytical standards and outputs, and workforce planning
- developed procedures to manage incoming information – both positive and negative – about behaviours displayed or business practices adopted by transport operators, the supply chain, drivers and vehicles
- completed phase one of the National Intelligence System – the establishment of a national intelligence database to store, search and analyse 'unstructured' information, such as confidential reports and complaints. This will provide the foundation for the implementation of the second phase of the project, due for completion in September 2018, which will enable us to connect 'structured' information, collected from various NHVR sources, partner agencies and the police, with unstructured information.

From 2 July 2018, a secure, national telephone service will provide us with a valuable source of unstructured information. The HVSI-funded Heavy Vehicle Confidential Reporting Line (HVCRL) will enable participants in the heavy vehicle industry and its supply chain to report confidentially operational safety issues relating to heavy vehicle transport activities.



Operated on our behalf 24 hours a day, seven days a week by an independent third party, Crime Stoppers Queensland, the HVCRL will specifically encourage reports of actual or potential breaches of the HVNL. These may include, for example, procedures, practices or conditions that endanger the safety of a heavy vehicle driver, passengers, other road users or the community, or that involve other non-compliance with the HVNL.

A safe and capable workforce

Understanding our workplace health and safety risks

During the year, we experienced an increase in the number of reported workplace incidents (see Table B.4 on page 65). This was due, in part, to the transition of on-road activities from South Australia. These new on-road roles have a higher risk profile than the office-based activities in which we have previously predominantly been involved. It has also been a result of increased employee awareness about the requirement to report incidents.

In addition to our NHVR Safety Committee, we have a Workplace Health and Safety (WHS) Committee, which met eight times in 2017-18.

Reporting on the range of WHS activities, risks and issues is undertaken monthly, and provided to senior management, our CEO and our Board. In addition, in 2017-18 an external, independent risk assessment was undertaken by specialist WHS legal advisors to ensure that we are meeting our WHS obligations and requirements.

All new NHVR employees receive WHS training during their onboarding, as well as through annual, mandatory refresher training. We are currently implementing a Learning Management System, which will provide a platform for e-learning and include WHS-related modules.

As part of our NHVR Safety Management Framework, we developed and implemented a *Vehicle Management Manual for Safety and Compliance Officers*. In July 2017, all Safety and Compliance staff underwent technical training on the manual and their role responsibilities. We also conducted an independent, external review of the manual to ensure that it appropriately addressed the risks inherent in these roles, as well as our legislative responsibilities. A range of activities has been implemented or commenced as a result.

Strengthening our culture

We have also actively sought opportunities to build and create an effective workplace culture to ensure that we continue to attract and retain a skilled and committed workforce.

We undertook a baseline culture survey during the year to understand employee perceptions of our culture and values. We convened nine culture focus groups involving NHVR staff to discuss the results and generate ideas for future actions.

We have developed a Culture Action Plan, which is being implemented and will continue over the coming year. Initiatives focus on greater collaboration, increased engagement and more effective communication between teams.

Looking forward

In 2018-19, we plan to:

- commence NHVR regulatory compliance services in Tasmania, including on-road safety and compliance operations
- start the service transition process in New South Wales, Victoria and the ACT
- continue developing the Safety and Compliance Regulatory Platform
- work with states and territories to develop a national dataset of defect and inspection information to inform the Risk-based Inspection Framework and provide an additional source of compliance intelligence
- deliver insights and intelligence as an information service back to stakeholders and partners by drawing on our continuously improving sources of data and other information
- implement the National Compliance and Enforcement Policy.

Note: Key strategies to enhance our stakeholder and partner relationships are discussed throughout the *Our Performance* section of this report and, most specifically, in *Engaging with our stakeholders* on pages 40-46.

Performance against National Performance Measures



Measure 1 | The NHVR facilitates the efficient operation of regulated entities

Performance standard	Annual indicator	Status	Page
Increased proportion of the total network accessible by restricted access vehicles (including high-productivity vehicles) by pre-approvals and gazettals	40% increase in pre-approvals annually The number of pre-approved routes increased by 21% from 1,669 to 2,025.	⊗	19, 63
	20% increase in updates of gazetted networks annually Requested updates to gazettals increased by 21% from 343 to 415.	⊙	19
Valid applications are processed and road manager consent is sought in a timely manner	90% of applications that require road manager consents are progressed within one business day This was not able to be achieved due to the ongoing implementation of business improvement activities, including the rollout of a new permit system for Access Operations and road managers nationally. We are working on further business improvements to reach the 90% target in 2018-19.	⊗	-
Reduce the number of heavy vehicle permits as a result of new notices	10% reduction in heavy vehicle permits annually We introduced 15 new notices during the year across various jurisdictions. From January to June 2018, we assisted 442 customers with 2,438 access requests that did not require road manager consent, as access was already granted under a single or multiple notices.	⊗	19, 63
Road managers are reminded about their responsibilities about their consent to access	100% of road managers are followed up about their consents within seven days This is now an automated process through the NHVR Portal.	⊙	-
Level of operator uptake of in-vehicle monitoring technology	10% increase of PBS combinations approved by the NHVR PBS vehicle combinations increased by 338 in 2017-18, bringing the total number of innovative PBS vehicle combinations on our road network to 1,741, an increase of 24%.	⊙	21, 64
Number of innovative vehicles has increased	10% increase of PBS combinations approved by the NHVR See above.	⊙	21, 64
National regulatory framework is developed to harmonise regulation	Annual Report to responsible Ministers under s.659(2)(i)(iv) of the HVNL outlining the effect of modifications to the law as it applies in participating jurisdictions on achieving the law's objectives This Annual Report includes details of amendments to the HVNL regulations taking effect on 1 July 2018.	⊙	25



Measure 2 | Communication with the heavy vehicle industry is clear, targeted and effective

Performance standard	Annual indicator	Status	Page
Joint safety initiatives with industry, partner agencies and other key stakeholders are established and are effective	<p>Number of joint safety initiatives established</p> <p>We worked with jurisdictions and partner agencies to conduct three compliance operations across all jurisdictions except the Northern Territory.</p> <p>We sponsored the ATA Safety Truck and TRUCKRIGHT Industry Vehicle and continued to manage the Commonwealth-funded HVSI program.</p>	✓	15, 46
	<p>80% industry participant satisfaction with initiative effectiveness</p> <p>Industry participants were not formally surveyed.</p>	n/a	-
Consistent and quality messaging in relation to safety management systems, performance standards and effective risk management has been delivered	<p>Number of educational activities developed and implemented</p> <p>We delivered 156 CoR/SMS educational sessions, with an accompanying awareness campaign.</p>	✓	17, 43
	<p>Sample survey indicates intended messaging was successful</p> <p>A safety survey of 1,500 industry participants conducted in April 2018 found that 82% of those surveyed reported being aware of the changes to the law around CoR.</p>	✓	17
Increased level of positive feedback from industry participants, road managers and jurisdictional stakeholders that our communications are clear, targeted and effective	<p>80% industry respondents to customer survey report above average satisfaction</p> <p>Our customer surveys are biennial. The next one will be conducted in 2018-19.</p> <p>A summary of comments received from industry representatives during the year is included on page 45.</p>	n/a	-
Stakeholder feedback mechanisms are maintained through the use of industry forums, public consultation processes and clear complaints management processes	<p>Feedback mechanisms are 100% operational</p> <p>During the year, we held four Industry Reference Forum (IRF) meetings and nine IOG meetings.</p>		14, 41
	<p>We held public consultation processes on the:</p> <ul style="list-style-type: none"> • new fatigue exemption • draft EWD Policy Framework and Standards • roller brake testing procedure. 	✓	14-16
	<p>Our <i>Manage Customer Complaints Work Procedure</i> ensures that we manage complaints in an accountable, transparent and timely way.</p>		45

Measure 3 | Actions undertaken by the NHVR are proportionate to the regulatory risk being managed

Performance standard	Annual indicator	Status	Page
Heavy vehicle safety standards including entry and exit criteria are developed and maintained	Standards are completed in line with schedule The PBS and Vehicle Standards schemes continue to track well.	✓	16, 21, 23, 64-65
	Completion of the PBS review We deferred our PBS review to focus on contributing to NTC's review of the PBS scheme and its operating marketplace.	✗	21
A heavy vehicle incident investigations analysis capability that focuses on causal factors and behavioural decision-making has been developed	Completion and application of the Incident Reporting Framework We are currently expanding our intelligence capabilities and data acquisition strategies, as well as developing a regulatory and intelligence database as the important, first steps towards the completion of the framework.	⌚	16, 26
Emerging technologies, safety-related trends, data and risk factors are monitored and analysed for the purpose of continuous improvement, risk- and evidence-based decision-making	Establishment of the NHVR Safety Committee The NHVR Safety Committee was established, which includes in its Terms of Reference 'Ensure appropriate and responsive actions are developed as a result of information and data obtained through regulatory activities, as well as incident and confidential reporting'. The Committee met five times during the year.	✓	14
NHVR operates within a risk management framework supported by a Safety Program	Report on the alignment of the Safety Program with the risk management framework Our corporate Risk Management Framework is operational and used for our significant initiatives, such as EWDs and NCIS. Our Safety Program aligns with the Risk Management Framework and is overseen by the NHVR Safety Committee.	✓	35

Measure 4 | Compliance and monitoring approaches are streamlined and coordinated

A consistent approach to interventions and investigations incorporating national standards and methodologies has been developed	Development of the National Operations Manual We delivered a full suite of operating procedures for our Safety and Compliance Officers in South Australia to inform and direct their on-road compliance activities and adapted these for our Tasmanian operations. These will form the foundation for our National Compliance Manual.	⌚	16
	Development of the National Investigations Manual We progressed the development of a National Investigations Manual that includes standards and processes for NHVR investigators and all those who deliver these services on our behalf.	⌚	17
A secure national compliance and assurance data and information sharing framework has been developed	First stage of Safety and Compliance Regulatory Platform completed The first stage of the Safety and Compliance Regulatory Platform received CEO approval to commission on 29 June 2018.	✓	6, 7, 26
Chain of Responsibility laws are used to drive compliant behaviour and best practice throughout the entire supply chain	100% of planned Chain of Responsibility education sessions and material delivered. We delivered all 51 of the CoR education sessions we had planned for the year, as well as an additional 105 sessions in response to stakeholder requests. We developed support materials for industry, including a CoR Gap Assessment Tool, Frequently Asked Questions, and sector-specific videos and fact sheets.	✓	17, 43
	80% industry participant satisfaction with the Chain of Responsibility sessions and material A total of 99.6% of participants in our 51 planned CoR education sessions were satisfied with the session content and materials provided.	✓	17

Measure 5 | The NHVR is open and transparent in its dealings with regulated entities

Dealings with industry stakeholders are open and transparent and assist the operation of regulated entities under the HVNL	Advice and guidance is widely available to stakeholders, with feedback mechanisms in place to support and inform continuous improvement We continued to provide advice and guidance to stakeholders through a range of activities that provided an opportunity for two-way communication: <ul style="list-style-type: none"> • IRF and IOG meetings • presenting at industry conferences and exhibiting at MegaTrans • CoR education sessions, materials and videos • roadside education sessions and toolbox meetings • industry participation in user testing of the NHVR Portal Registration Services module • road manager heavy vehicle access forums • social media. 	✓	40-45
	Accessible and responsive complaints management process Our <i>Manage Customer Complaints Work Procedure</i> has proved effective in capturing complaints in our Customer Management System and ensuring appropriate follow-up and close-out. We received 66% fewer complaints in 2017-18 than we did in 2016-17.	✓	45
	80% industry respondents to customer survey report above average satisfaction Our customer surveys are biennial. The next one will be conducted in 2018-19.	n/a	-
Established memoranda of understanding with local government associations committing local governments to improving overall performance in access management consents	New South Wales, Tasmania and Victoria local government association memoranda of understanding signed. Constructive discussions have been held and these MOUs will be progressed in 2018-19.	⌚	20, 41

Measure 6 | The NHVR actively contributes to the continuous improvement of the heavy vehicle regulatory framework

Performance standard	Annual indicator	Status	Page
The level of use of higher-productivity vehicles has been increased	20% annual increase of PBS vehicle approvals Vehicle approvals increased from 1,249 in 2016-17 to 1,466 in 2017-18, an increase of 17%.	⊗	21, 64
Key stakeholders and partners are well informed of their role in delivering sustainable access to network infrastructure	Key Freight Route Report published The <i>Key Freight Routes: Annual Update</i> paper was provided to Council in November 2017. Following the endorsement by responsible Ministers of a new approach to identifying key freight routes, a Key Freight Routes Working Group is being established to progress this work.	Ⓛ	23
	Risk assessment matrix for road managers developed We will be reviewing the technical guide for road access being developed by TMR and the LGAQ, with a view to incorporating relevant findings into a risk assessment matrix as part of our Road Manager Toolkit.	⊗	23
Critical network impediments for network access are identified	Freight network paper published See above.	⊙	23
Influence the adoption of improved fuel efficiency and emission standards for new heavy vehicles	The average age of vehicle fleet does not increase The number of PBS vehicles has increased by 17%, meaning the average age of the heavy vehicle fleet continued to decline. PBS vehicles have a median age of just under four years, compared with over 12 years for the entire heavy vehicle fleet.	Ⓛ	23
Promote the use of more fuel-efficient and cleaner vehicles/ Promote the use of higher-productivity vehicles	The proportion of higher-productivity vehicles in the fleet increases The total number of innovative PBS vehicle combinations on our road network increased by 24%, from 1,403 in 2016-17 to 1,741 in 2017-18. In 2017, PBS vehicles made up 17% of the heavy vehicle market. Once our Registration Services module on the NHVR Portal has been completed in early 2018-19, we will be able to determine what proportion of the national fleet comprises higher-productivity vehicles. During 2017-18, we: <ul style="list-style-type: none"> • promoted the use of higher-productivity vehicles at ROC meetings • delivered a PBS presentation and held a PBS vehicle display at the Central West Heavy Vehicle Breakfast Forum in Forbes • published <i>Performance Base Standards – Australia’s PBS Fleet</i>, a joint report with ARTSA. 	⊙	23, 64
Functions and capabilities are aligned to meet the future demands of delivering regulatory services nationally	National Services Catalogue developed We developed an NHVR Services Catalogue in consultation with jurisdictions. The catalogue is due to be published in early 2018-19.	Ⓛ	26
	Progression of the National Services Transition Program against budget and schedule We completed the second phase of South Australia’s transition in October 2017 and undertook significant work to prepare for Tasmania’s transition on 2 July 2018.	⊙	25
Our service delivery capability aligns with a defined and effective service-delivery model	Execution of the Service Level Agreement reporting framework We established the National Services Management Working Group to review the current SLA format.	Ⓛ	26
	Completion of the NHVAS and PBS scheme reviews We deferred our PBS review to focus on contributing to NTC’s PBS marketplace review, released in May 2018.	⊗	21
	We delayed starting our planned NHVAS review pending the release of the final recommendations from an independent review we commissioned into other heavy vehicle accreditation schemes in Australia.	⊗	14
An integrated information platform that supports the delivery of our regulatory oversight and services and provides a single national source of data has been established	First stage of Safety and Compliance Regulatory Platform completed The first stage of the Safety and Compliance Regulatory Platform received CEO approval to commission on 29 June 2018.	⊙	6, 7, 26
Workforce and succession planning directly contribute to efficient and effective regulatory services	Approved Workforce and Succession Plan Work has continued to identify the skills and capabilities we will require as new services, such as on-road heavy vehicle safety and compliance, become a part of our core responsibilities and focus. During the year, this included the development of, and recruitment for, new on-road compliance and investigation roles in South Australia and Tasmania.	Ⓛ	27
	Staff survey feedback shows better than average satisfaction The culture survey undertaken showed a better than average result on the employee engagement index. This was our first employee culture survey and provides baseline results against which to measure the outcomes from our Culture Action Plan.	Ⓛ	27



3 Corporate governance and management

Our *Corporate Governance Framework* sets out the standards of accountability and transparency that our Board, Chief Executive Officer and stakeholders expect of our organisation.

Statistics relating to governance, our people and WHS are provided in Appendix B on page 65.

Corporate governance

Our *Corporate Governance Framework* outlines the principles, elements and mechanisms we use to effectively achieve the two main aims of corporate governance:

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

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

Enabling legislation

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

During the reporting period, the following amending Acts and regulations were passed:

- *Heavy Vehicle National Law and Other Legislation Amendment Act 2018*
- Heavy Vehicle National Amendment Regulation 2018
- Heavy Vehicle (Registration) National Regulation.

Responsible Ministers

We report directly to responsible Ministers. The HVNL defines *responsible Ministers* as a group of ministers consisting of the responsible Minister for each participating jurisdiction (as nominated by that jurisdiction) and the Commonwealth responsible Minister.

We provide the following to responsible Ministers:

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

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

Under the HVNL, we must also:

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

Council's endorsement of our 2018-2021 Corporate Plan in May 2018 satisfied s.695 of the HVNL. The provision of this 2017-18 Annual Report to responsible Ministers by 30 September 2018 will satisfy our obligation under s.693.

No written directions or referrals were given or made by Ministers to the NHVR in 2017-18.

Our Board

Our Board, established under Part 12.2 of the HVNL, consists of five members appointed by the Queensland Minister on the unanimous recommendation of the responsible Ministers.



Bruce Baird AM, Chairman

The Hon Bruce Baird has extensive knowledge of the transport industry. He has had 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) and has first-hand experience implementing significant transport reform.



Peter Garske, Deputy Chairman

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

The Board's functions¹ include:

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

The current Board members' three-year term expires in October 2018.

Board meetings

During 2017-18, the Board convened 12 times, with 10 formal Board meetings and two out-of-session circulating resolutions conducted.

All Board members were present at all meetings.

Finance and Audit Committee

The Finance and Audit Committee assists the Board in monitoring the systems of internal control and ensuring the integrity of our financial reporting process. The committee, chaired by Vincent Tremaine, comprises four Board members, with the CEO and Executive Director, Business Services as ex officio members.

During 2017-18, three formal committee meetings were held.

Governance Committee

The Governance Committee assists the Board in dealing with matters relating to governance. It makes recommendations to the Board concerning governance policies in light of best practice, legislative

developments and the needs of the organisation, ethical standards including the Code of Conduct, and other matters referred to the committee by the Board.

The committee comprises three Board members, with the CEO and Executive Director, Business Services as ex officio members, and is scheduled to meet three times a year. During 2017-18, the committee, chaired by Robin Stewart-Crompton, met formally three times.

Internal audit arrangements

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

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

¹ s.664 of the HVNL.



Robin Stewart-Crompton

Mr Stewart-Crompton is the Director of RSC Advising Pty Ltd and is a consultant in the fields of public administration, occupational health and safety, workers' compensation and industrial relations. Previously, he was a senior Commonwealth public servant.



Coral Taylor

Ms Taylor is a non-executive director of NRMA Motoring and Services, a member and immediate past chair of the NRMA Policy and Advocacy Committee, and a member of its Governance, Compensation and Nomination Committee. Ms Taylor has more than 30 years' experience in the motorsport industry.



Vincent Tremaine

Mr Tremaine has over 30 years' experience in ports and logistics. He was CEO of private company, Flinders Port Holdings Pty Ltd until March 2018. In that role he was responsible for Flinders Ports, Flinders Logistics and Flinders Adelaide Container Terminal. He is Chairman of Business SA and a former Chairman of Ports Australia. He is a Fellow of both CPA Australia and the AICD.

In 2017-18, the internal audit program included six internal audits to review the design and improve the effectiveness of the control environment. These were:

- travel expense process
- external penetration testing of the online portal
- third party jurisdictional review
- transition of national services
- authorisations and delegations
- information security.

In addition, an internal review was undertaken to verify completeness of actions generated from prior internal audits.

A total of 34 findings and 73 recommendations required management action from three audit reports.

Oversight of the audit plan, and the progress of process improvement brought about through the implementation of the recommendations, are ongoing responsibilities of the Executive Leadership Team (ELT), reporting to the Finance and Audit Committee.

Risk management

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

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

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

Executive Leadership Team

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



Sal Petrocchio

Chief Executive Officer

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

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

Over the past four years, Sal has led a significant program of reform across Australia's heavy vehicle industry, including transitioning functions from participating jurisdictions to deliver a single national heavy vehicle regulator, harmonising heavy vehicle regulations across more than 400 road managers, modernising safety laws for the heavy vehicle supply chain and heavy vehicle operators, and introducing the digital permit system (the NHVR Portal).



Peter Caprioli

**Executive Director
Network Access**

Peter has been with the NHVR since its inception in 2013 and has delivered a range of reforms that have improved heavy vehicle network access.

Peter and his team are responsible for ensuring that heavy vehicle access to the transport networks is supported by services and projects that are safe, effective and efficient for the industry and road managers.

Network Access leads the delivery of the permit application process, the NHP and development of policy-driven outcomes that promote the best use of high-productivity vehicles and fair and equitable access for the whole industry.

Peter has extensive experience in heavy vehicle regulatory matters and with the heavy vehicle industry. He worked in senior government roles with the Queensland Department of Transport on heavy vehicle regulation, policy and legislative matters over many years, and also has significant background in training, enforcement and education.



Geoff Casey

**Executive Director
Productivity and Safety**

Geoff's key responsibilities include the delivery of the National Heavy Vehicle Safety and Productivity Strategy Frameworks and chairing the NHVR Safety Committee. He also leads the teams delivering NHVAS, PBS, Vehicle Standards, Fatigue Management, and Safety Promotion, Training and Education.

Geoff has an extensive background as a senior executive, both as a regulator of, and as a participant in, a number of safety critical industries including rail and aviation. He has lectured in risk and systems engineering, and his experience encompasses regulatory frameworks and associated policy, risk, and developing and administering safety management systems in an operational environment.



Ray Hassall

**Executive Director
Regulatory and Legal Services; Acting
Executive Director, Business Services (from
March 2018)**

Ray leads the Regulatory and Legal Services business unit. He also acted as Executive Director, Business Services following the departure of Michelle Clarke in March 2018.

Services delivered by his team include workplace, contract and commercial matters, privacy, right to information, government accountability services, prosecutions under the HVNL, and oversight of the NHVR's probity framework and internal audit arrangements.

Ray has extensive experience in public administration, and leading and implementing regulatory reform at the state and national levels in a range of policy areas. This experience also includes legal and regulatory policy design, administrative review, strategic analysis, high-level stakeholder liaison, and managing parliamentary and cabinet processes.



Tony Kursius

**Executive Director
Regulatory and Compliance**

Tony is responsible for leading the implementation of heavy vehicle regulatory reform and ensuring the successful delivery of nationally consistent, coordinated and effective compliance and assurance functions.

With over 20 years' experience at senior executive level in regulatory and service delivery roles with the Queensland Government transport portfolio, his expertise spans corporate human resource management, land transport (including registration and licensing), road safety, rail safety, road use management and transport compliance functions.

Tony worked closely with other road transport authorities across the country in the years leading up to the establishment of the NHVR, and has extensive knowledge and practical understanding of the strategic and operational challenges involved in achieving national regulatory reform.



Tanya McDonald

**Executive Director
Strategy and Stakeholder Relations**

Tanya's team delivers strategic policy development, stakeholder and intergovernmental relations, communications and media relations.

Tanya is a seasoned strategy professional with a long career in executive roles in the Queensland and Commonwealth Governments. She has significant experience in complex reforms across all levels of government, including building, education, infrastructure, industrial relations, resources, economic development and transport.

Probity measures

Public interest disclosure

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

Corrupt conduct

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

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

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

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

Code of conduct

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

- We demonstrate a high standard of workplace behaviour and personal conduct.
- We are committed to the highest ethical standards and act with honesty, integrity, impartiality and transparency.
- We work together as a team, efficiently and effectively and in the best interests of the NHVR.
- We comply with laws, the enterprise agreement, and our policies and procedures.

- We respect privacy, protect confidentiality and do not misuse information.

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

Annual refresher training is undertaken to ensure that employees are aware of their obligations under the code, and new employees must declare when joining the NHVR that they will uphold these obligations.

Conflict of interest

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

At each of its meetings, the Governance Committee considers reports of any identified conflicts of interest. We did not become aware of any undisclosed conflicts of interest in 2017–18. In the one instance in which an employee declared a conflict, the employee resigned from the organisation before a conflict management plan was implemented.

Fraud control

The Governance Committee receives details of any non-compliance with corporate policies, and reviews thresholds and appropriateness of all financial delegations annually. No serious breaches were reported in 2017–18.

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

Insurance and indemnities

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

Our insurers paid one claim during the reporting period, relating to a week-long power outage experienced at our Brisbane office building in 2016–17.

Information privacy and right to information

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

Individuals can apply for access to personal information under the IP Act and non-personal information under the RTI Act. The Disclosure Log¹ on our website provides details of information released in response to RTI requests.

During 2017–18, we received one application relating to permit timelines under the RTI Act and one application under the IP Act.

External scrutiny

Judicial decisions

A transport operator applied to the Queensland Civil and Administrative Tribunal for a review of our decision to refuse his application for accreditation. We filed material in response and the application was withdrawn prior to the hearing. We did not pursue costs against the applicant.

Coronial inquiries

The following two coronial matters were referred to us during the reporting period:

- In July 2017, we appeared over five days at the inquest into the deaths of Christine and Samuel Leonardi. Our Executive Director, Network Access gave evidence at the hearing. The deaths were caused by a crash involving the car of the deceased and a Terex Franna AT20 frame steer crane. The Coroner's decision was delivered on 11 October 2017. The Coroner made recommendations to reduce the speed limits for frame steer vehicles.

We have formed a working group to assess the safety of frame steer vehicles. Vehicle dynamics software has been purchased to create an electronic test vehicle, and we are negotiating with Terex Franna to conduct physical testing on a relevant model of Terex Franna crane.



Also, on 26 April 2018, the *Class 1 Special Purpose Vehicle Notice 2016* was amended to restrict speed limits for this type of frame steer crane.

- The inquest into the death of Stephen Ross Brown occurred over eight days, spread over 12 months. The Coroner’s decision was delivered on 27 March 2018. Mr Brown died on 27 August 2014 as a result of a single vehicle crash involving the truck he was driving.

The Coroner made two recommendations:

- that the NHVR and TMR consider if there should be enhanced education and guidelines to ensure that persons performing heavy vehicle inspections are aware of the risks involved in not having clean components when they perform a visual check
- that, in the process of revising the current MOU between the Queensland Police Service and Workplace Health and Safety Queensland, a process is included for the notification of heavy vehicle incidents to the NHVR.

We are collaborating with TMR to implement these recommendations.

Administrative oversight and accountability

No allegations of corrupt conduct were received in the reporting period.

People and capability

Staffing

On 30 June 2018, we had 272 full-time equivalent employees (permanent, temporary and contract) in Queensland, South Australia, Victoria and the ACT. This was a rise of 48% from 184 at the end of the last reporting period, reflecting the NHVR’s increasing workload and responsibilities. From 2 July 2018, we will also have employees in Tasmania.

Tables B.2 and B.3 on page 65 provide details of employees by employment type, classification and gender.

Staff training and development

Our ability to attract and retain highly skilled and experienced people remains critical to achieving our vision and objectives, with professional development and training a key component to ensure that we can meet the challenges of the future. Training conducted in 2017-18 related to:

- governance and risk minimisation
- developing and enhancing the skills of our future leaders
- ensuring that our employees are adaptable, resilient and agile to meet future challenges.

Workplace agreements

The *NHVR Enterprise Agreement 2017-2020* covers the majority of employees and the *NHVR Greenfields (Operational and On-road Regulatory Compliance Employees) - Enterprise Agreement 2017-2020* covers employees who undertake on-road regulatory compliance and assurance activities or heavy vehicle inspections.

In line with the enterprise agreements (EAs), and as part of our ongoing commitment to our employees, during the year the employee salary packaging scheme was renegotiated and expanded to include additional benefits, such as public transport travel and professional membership fees.

Wellness

In 2017-18, we coordinated a number of wellness-related activities and initiatives, including:

- health insurance and superannuation presentations
- flu vaccinations for all staff
- health and wellness presentations, such as managing stress, dealing with conflict and Men’s Health Week.



4 Engaging with our stakeholders

We connect and engage with the heavy vehicle road transport industry on all aspects of our services and administration of the HVNL. We also seek to promote and support continuous safety improvements through information, education and joint initiatives.

Stakeholder engagement

Industry engagement

Throughout the year, we continued to seek opportunities for proactive engagement with industry, including:

- partnering with BP to conduct large-scale engagement with industry at the roadside
- working with jurisdictions to conduct roadside education sessions, with more planned for 2018-19
- attending industry conferences and forums to discuss the NHVR's agenda with a wide cross section of industry (see page 66-63)
- visiting companies to hold toolbox meetings to gain knowledge of industry issues and gather feedback on our performance
- having an exhibit at MegaTrans 2018 to meet industry participants and explain our various functions
- conducting 156 face-to-face CoR information sessions to inform industry about the changes to the HVNL being introduced on 1 October 2018.

Industry Reference Forum

The NHVR IRF is our key industry advisory body. It consists of high-level representatives from across the heavy vehicle road transport industry, representatives of relevant industry associations, police and unions, and our CEO and senior staff.

The role of the IRF is to assist us in driving our long-term, strategic agenda for regulatory reform of Australia's heavy vehicle road transport industry. It has a direct link to our five IOGs.

During 2017-18, the IRF met four times, providing the opportunity for consultation and open communication about how best to progress key items on our work program.

Industry Operators Groups

In 2017-18, we continued to engage with our IOGs about sector-specific operational issues. We formed a Safety IOG in March 2018 so we could incorporate industry input into the development of our SMS (see page 14). Our five IOGs now include:

- Agricultural
- Crane - in partnership with the Crane Industry Council of Australia (CICA) and state associations
- Livestock Industry Operators - a partnership with the Australian Livestock and Rural Transporters Association (ALRTA) and state associations
- OSOM
- Safety.

They all met twice during the year, except the Safety IOG, which met once.



Road manager engagement

The HVNL expressly gives road managers particular responsibilities for decision-making on heavy vehicle access to the road network. They are state or territory road authorities, local councils or private bodies, such as ports and airports. We are statutorily required to work closely with them to determine which vehicles can operate on their roads and under what conditions.

During the year, we worked closely with road managers, in particular local government, bringing them together with industry representatives through heavy vehicle access forums. These forums have encouraged open discussion about improving productivity in local freight tasks and have enabled industry to understand the challenges of first and last mile access. They have also led to some councils holding their own industry engagement sessions, which we encourage.

The forums have enabled us to achieve a higher awareness and understanding of councils' requirements as road managers under the HVNL. We have seen a maturing of our relationship with councils, which has led to them increasingly seeking our input into management of the road transport freight task. To further increase the level of local government engagement, in 2017-18 we:

- held face-to-face meetings with mayors, general managers and senior technical staff in targeted councils on key freight routes in regional Tasmania, New South Wales, South Australia and Victoria
- held workshops for councils representing western Sydney and regional New South Wales, in conjunction with New South Wales Roads and Maritime Services

- worked closely with local government associations on the planned implementation of harmonised notices under the HVNL
- conducted training sessions for road managers around the country to help them better understand how to use the NHVR Portal
- promoted the benefits of high-productivity and PBS vehicles at ROC meetings
- delivered a PBS presentation and held a PBS vehicle display at the Central West Heavy Vehicle Breakfast Forum in Forbes to demonstrate the benefits of these vehicles on the road network
- continued to provide letters of support for local governments in their bids for infrastructure upgrades to local roads to assist in opening up access for industry
- progressed discussions on the establishment of MOUs with the Municipal Association of Victoria, Local Government NSW and Local Government Association of Tasmania.

In addition, we have met regularly with state and territory road authorities, strengthening our partnership and enabling us to work more effectively with councils to address their concerns. This has been assisted by our participation in meetings of state municipal associations and joint participation in council-led strategic networks to address specific road access issues.

Working groups formed around specific projects, such as the B-double consent process (see page 19), NCIS and the new Registration Services section of the NHVR Portal, have all benefited from the input and knowledge of jurisdictions in their capacity as road managers and policy makers.

Intergovernmental relations

In 2017–18, we worked closely with federal and state parliamentarians and jurisdictions to build effective, positive relationships and to ensure that key decision-makers were kept well briefed on our reform agenda. We were well represented at key government meetings and events, as well as through written submissions, which helped better position the NHVR as a key national advocacy body in relation to its statutory responsibilities.

During the year we:

- provided regular, targeted briefings to relevant Ministers, parliamentarians, jurisdictions and decision-makers on our activities and issues, including:
 - changes to CoR legislation and our related communication activities
 - progress of the NST Program and what it means for each jurisdiction
 - updates on the NHP and the need for national consistency
 - demonstrations of the Registration Data Acquisition Project and the benefits it will provide industry and jurisdictions
 - progress in improving access permitting turnaround times
- maintained a regular flow of information about the NHVR's activities, achievements and challenges to key Ministerial offices
- attended high-level events and meetings to ensure that we were appropriately engaged in key policy decisions
- through our Canberra office, increased our availability for the purposes of the Federal Parliament and our contact with national industry bodies and government agencies.

Our increased role in responding to relevant submissions and inquiries during 2017–18 has ensured that our key policies and objectives are well communicated across government and industry. We are now well positioned to contribute to the development of a National Freight and Supply Chain Strategy being led by the Commonwealth Government. We are also playing an important role in progressing work with government and industry to develop a best practice model for telematics.

We strongly advocated bringing forward a review of the HVNL, which will strengthen our role as a regulator and improve safety and productivity across the freight supply chain.

We also continued to administer the HVSI program through stakeholder engagement, Council endorsement, grantee liaison and agreement development (see page 46).

Table 1 Keynote speeches and presentations delivered by NHVR representatives in 2017–18

Date	Organisation	Event	NHVR representative
11 July 2017	CEVA Logistics	CEVA Logistics Conference	Sal Petrocchio
4 August 2017	CICA	NSW Branch Meeting	Peter Caprioli
11 August 2017	LGAQ	Bush Councils Convention	Sal Petrocchio
11–12 August 2017	Livestock & Rural Transporters Association of Victoria	Conference	Geoff Casey
16 August 2017	Workplace Health and Safety Queensland	Regional Supply Chain Forums	Geoff Casey
21 August 2017	Truck Industry Council	Dinner	Sal Petrocchio
2 September 2017	Victorian Transport Association (VTA)	Australian Freight Industry Awards Gala Presentation	Sal Petrocchio
5 September 2017	National Road Transport Association	2017 NatRoad Conference	Sal Petrocchio Bruce Baird
5–6 September 2017	ALC	ALC Supply Chain Safety & Compliance Summit	Tony Kursius
14 September 2017	Woolworths	Fifth annual Transport Safety Seminar and Carrier of the Year Awards	Sal Petrocchio
10 October 2017	Australasian College of Road Safety Awards, Austroads Safety Taskforce, Curtin Monash Accident Research Centre (C-MARC)	2017 Australasian Road Safety Conference	Sal Petrocchio
17–18 October 2017	ATA, ARTSA	Transport Maintenance Conference	Tony Martin
17 October 2017	National Farmers Federation (NFF)	NFF Economic Policy Committee Meeting	Sal Petrocchio
13 November 2017	Bus Industry Confederation	Bus Industry Confederation Conference	Sal Petrocchio
21 November 2017	Civil Contractors Federation (CCF)	CCF Australian Infrastructure Summit	Sal Petrocchio Greg Fill
29 November 2017	Metcash, Woolworths, Coles, Bluescope	Safety workshop	Sal Petrocchio
21 February 2018	ATA	Council	Sal Petrocchio
7 March 2018	ALC	Forum	Sal Petrocchio
19 March 2018	VTA	VTA State Conference 2018	Sal Petrocchio
23–24 March 2018	Livestock, Bulk and Rural Carriers Association (LBRC), ALRTA	Joint National State Conference	Greg Fill
10 April 2018	Roads and Maritime Services NSW	Annual Operations Managers Meeting	Tony Martin Kym Farquharson-Jones
13 April 2018	Heavy Vehicle Industry Australia	ComVec Conference	Sal Petrocchio
8 May 2018	Australian Business Lawyers and Advisors	Meeting	Ray Hassall
9 May 2018	ARTSA	ARTSA Global Heavy Vehicle Leaders Summit	Sal Petrocchio
10 May 2018	WorkSafe Victoria	WorkSafe Regional Meeting	Chris Kummerow
11 May 2018	Global Shippers Forum (GSF)	GSF Conference	Sal Petrocchio
18 May 2018	Australasian Fleet Management Association	Annual Fleet Conference and Exhibition	Greg Fill
25 May 2018	Institute of Public Works Engineering Australasia (IPWEA)	South Australian IPWEA Conference	Kerry Plater Sean Pederick
31 May–2 June 2018	Livestock and Rural Transporters Association of Queensland (LRTAQ)	Conference	Greg Fill
4 June 2018	Institute of Public Works Engineering Association NSW Roads and Transport Directorate	2018 NSW Local Roads Congress	John Gilbert
14 June 2018	Linx Cargo Care Group	Senior Executive Leadership Meeting	Sal Petrocchio Greg Fill
16 June 2018	Livestock and Rural Transporters of SA	2018 Livestock and Rural Transporters of SA	Sal Petrocchio Paul Simionato Peter Thomas Sean Pederick



Keeping industry informed

We have a crucial role in keeping the heavy vehicle industry informed about, and facilitating understanding of, the requirements of the HVNL. We do this through various communication channels to ensure that we reach as many people as possible, whether they are on the road or in the office.

During the year, we saw substantial reach in our communication efforts through the release of technical publications, newsletters and bulletins, news releases, and social media updates and campaigns. This has reinforced our role as a primary source of information on all heavy vehicle matters.

Some highlights for the year included:

- greater reach of our digital channels, with a 40% increase in Twitter followers to 939 and 84% increase in Facebook likes to 10,279. This has contributed to a 92% increase in our total social media reach, with the average number of views of 221,340 per month.
- nearly 60% growth in website hits compared to the previous year, with close to 1.5 million hits by 30 June 2018
- assisting more than 60,000 customers through our dedicated call centre, helping with general enquiries or assisting customers or road managers to transact on the NHVR Portal – growth of more than 13%
- more than 3,000 new subscribers to our *On the Road* industry e-newsletter, which we seek to entrench as a valuable source of industry news

- the release of three heavy vehicle charts – *Common Heavy Freight Vehicle Configurations*, *Classes of Heavy Vehicles in the Heavy Vehicle National Law and Variations of Buses under the Heavy Vehicle National Law & Gazette Notices*.

Positive feedback from improved website

With 40% of people accessing the NHVR website from a mobile device, on 30 June 2018 we upgraded our website to a new platform that makes it easier for people to view it from smartphones, tablets and laptops. New features of the website include:

- mobile responsiveness – content and menus automatically adapt to the best layout for the device on which they are being viewed
- a conveniently placed NHVR Portal login button for operators and road managers
- mega-menus on the home page to help people find what they are looking for more easily
- improved site navigation, search functionality and overall usability.

Feedback from staff and stakeholders has been overwhelmingly positive.

Social media success

To complement traditional media, we initiated several successful social media campaigns during the year to bring different topics into focus.

Through the *Tell a mate* social media campaign, we partnered with one of Australia's best-known television and big screen personalities, Shane Jacobsen, to highlight that heavy vehicle safety is everyone's business – whether they drive a truck or car or tow a caravan. Three *Tell a*

mate campaigns were released during the year to focus on general safety, promotion of SMS and encouraging drivers to leave truck bays for truck drivers to rest.

Other social media campaigns during the year included our:

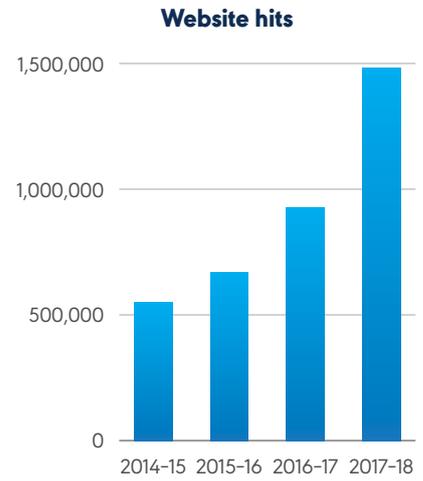
- fatigue campaign to remind truck drivers of the signs of fatigue
- Christmas and Easter campaigns to encourage safe driving over the holiday period
- videos featuring NHVR employee messages to support National Road Safety Week.

Spreading the word about Chain of Responsibility

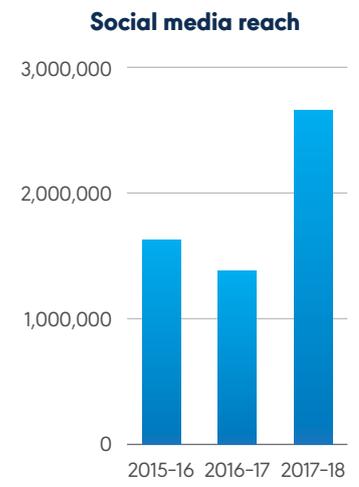
Following the successful round of information sessions around Australia in 2016-17 to inform industry about CoR amendments, we conducted a second round in 2017-18 to reach more people. To help raise awareness of these, we:

- included publicity and editorial in industry publications
- produced a video featuring senior logistics and safety staff from Metcash, Woolworths, Branstrans and Martins Transport
- filmed a question and answer session with the LGAQ specifically covering local government issues.

In early 2018, in direct response to farmers requesting more information about CoR changes, we conducted a series of workshops in regional Tasmania to explain the role that farmers play in heavy vehicle safety. From these workshops, we developed brochures to address common questions raised by primary producers about the CoR changes and how they align with WHS laws.



60% increase in website hits in 2017-18.



Social media reach increased by 92% in 2017-18.

Our Common Heavy Freight Vehicle Combinations chart attracted almost 80,000 views on Facebook in the first two weeks of release and received praise from as far afield as Switzerland and the United Kingdom.

Thank you for your note and for the magnificent heavy vehicle chart, well done! It provides to all stakeholders interesting feedback on where we should go. Possibly by creating a 'universal' heavy vehicle chart.

Jacques Marmy, Head Technical Affairs with the International Road Transport Union based in Switzerland

Thank you very much for this impressive Australian chart. It will be very useful for the global overview we are preparing within the ITF/OECD working group on High Capacity Transport.

Jerker Sjögren, Chairman of the ITF/OECD working group

Responding to stakeholder feedback

We are committed to responding effectively and efficiently to all feedback received, as this assists us to improve our services and deliver better outcomes to our customers. Our *Manage Customer Complaints Work Procedure* ensures that we manage complaints in an accountable, transparent and timely way.

Most of our complaints are received by our call centre or via the online form on our website. They are forwarded to the relevant business unit's dedicated Receiving Officer, who captures them in our Customer Management System. Our Complaints Officer then assesses each complaint, and assigns it to the appropriate Receiving Officer to manage its resolution and identify corrective actions and potential business improvements.

During 2017-18, we received a total of 30 complaints – a decrease of 66% on 2016-17.

Most complaints (83%) focused on the use of the NHVR Portal or access permit issues. The reduction in complaints appears to be due to increased use of the portal and its application-tracking functionality, leading to fewer complaints about permit turnaround times. All complaints were resolved within an average of 12.4 days.

We are pleased that we also received a number of positive comments about our activities (see Table 2 below).

Table 2 Summary of comments received from industry representatives during 2017-18

Date	Industry representative name and organisation	Comment
16 July 2017	Ingilby Dickson, Board Director and Advisor, Collins Pitt	...very beneficial session for all parties. Thought your commitment to spend that much time with [the team] was fantastic and shows how well the NHVR is being led. Well done and I too will keep the rage on safety and the codes!
17 August 2017	Phill Ramfos, Business Development Engineer PBS Vehicles, Southern Cross Transport Equipment Group	Always nice to put a face to the name particularly in this instance with the help and support you offered when I experienced difficulties obtaining a PBS permit. I'm glad the Regulator has resources to deal with these sort of situations, not only for the benefit of the applicant but also to improve the PBS process into the future. It was a difficult situation you managed to address, and I sincerely thank you for that.
30 August 2017	Melissa Gould, Business Development Manager, Simon National Carriers	Simon National Carriers would like to express our gratitude for the recent effort in assessing our requirements for a permit to run Extendable Road Trains for the NGP Project in Queensland. We realise that this request was out of the ordinary and extra efforts were made to accommodate our application to the utmost of your ability.
17 October 2017	Linda Lewis, Compliance Manager, Micway Transport	The knowledge of the presenters and their credibility was fantastic. Real-life examples are always easier to relate to and I loved that the content was so practical.
27 October 2017	Mark Newton, Operations Manager (Bowen Basin), Greyhound Australia	This was the first seminar I have attended re CoR, and I found it very educational and well presented. I enjoyed being in a forum with other operators and having their thoughts.
17 November 2017	Andy Wilson, Senior Transport Inspector SEQ South, Department of Transport and Main Roads	I would like to thank all those who assisted in making yesterday's Truckie Tool Box Talk at Port of Brisbane a huge success. Due to the positive response from industry I believe we should lock this in as an annual event...
29 November 2017	Phil Combe, Owner/Manager, P.G & I Combe	After going through permits for over mass vehicles and getting told so many different things, here's a clear pathway to get permits, which the NHVR have done by having people on the ground.
29 November 2017	Jon Builder, Manager, Clare Quarry	I'm impressed with the NHVR's attitude to try and free up/speed up/increase production for industry.
29 November 2017	Luke Haynes, Crane Coordinator, Samaras Group	Good to see NHVR working with industry to make this system work.
9 February 2018	Maree Gonzo, Marketgate Logistics Pty Ltd	Just want to say how much I appreciated the help given by Stephen and Laura this morning when I was struggling to lodge an Access Permit. They were unfailingly polite, courteous and patient, as well as knowledgeable. Both are a credit to your organisation. I cannot thank them enough.
20 March 2018	Steve Saunders, General Manager, Energy Logistix	Thank you for your effort in dealing with the Pt Adelaide/Enfield Council and assisting with their response on ELX obtaining our road train permit. As you're aware, it was a very long frustrating process and your assistance in getting a result was very much appreciated.
5 April 2018	Maggie Welsh, Board member, NatRoad	I attended the test run of the new registration portal on Tuesday, I'm very impressed. This is going to be a very good tool for all sized companies. It will be released in October, we found a few problems and added suggestions for more features. The team on the project are really great to get on with and listen to concerns.
9 April 2018	Mark Kramer, Regional Manager Transport Compliance, Southern Unit, Road User Services, Department of State Growth	... just providing some feedback on the Electronic Work Diary training Adam McGregor and Callum Fraser delivered last Thursday in Launceston, Tasmania ... the training was excellent and well presented.
22 May 2018	Brandon Hitch, Chief Executive Officer, CICA	Thank you for sending Jason up to Mackay for our CICA QLD Regional Meeting. We had a record number of 40 participants ranging from Port Douglas to Brisbane in attendance. He did a great job on his presentation and had some actual photos from Mackay Council culverts.
24 May 2018	Burn Ashburner, Senior Manager – Industry, Queensland Cane Growers Organisation Ltd	Thanks for your input into the recent transport workshops in the southern cane regions. I think your presentation was closer to the mark in assisting grower understanding of a somewhat complex issue. The common questions at an operational level for growers and discussion on this and then some of the higher-level legal information and how it fits into the bigger picture I think was a good idea. This made it easier for growers to understand in context of their operations.

Supporting industry safety initiatives

We invest in sponsorship opportunities that align with our values and organisational priorities, strengthen our partnerships with industry and help make our roads safer. In 2017-18, our sponsorships included:

- ATA Safety Truck – a mobile education centre that participates in road safety education programs, industry-led community events and other public events to educate the community about sharing the road safely with trucks

- TRUCKRIGHT Industry Vehicle – a working truck and a trailer displaying ‘share the road’ messaging on its side curtains
- Transport Women Australia Limited’s *Creating Connections* conference
- Bus Industry Confederation conference.

In addition, we became a partner in the following:

- National Road Safety Partnership Program – a collaborative network to support Australian businesses in developing a positive road safety culture by providing access to a ‘knowledge bank’ of resources from a diverse network of organisations

- Australia and New Zealand Driverless Vehicle Initiative – the peak body that spans the wide ecosystem of driverless vehicles in Australia and New Zealand.

Since we started administering the Commonwealth-funded HVSI program in 2016-17, a total of \$7.72 million has been committed to 17 projects to improve safety for heavy vehicle drivers, operators and general road users.

Table 3 below shows the successful applicants in the 2017-18 round of funding and the status of their projects as at 30 June 2018.

Table 3 Projects approved for HVSI funding in 2017-18

Applicant	Project	Status as at 30 June 2018
Agricultural industry	Develop and implement an education campaign for drivers on regional and rural roads about time sensitivities around the movement of OSOM vehicles	Audiences scoped and surveys conducted. Project will continue in 2018-19
Australian Forest Contractors Association	Safety program for transporting forestry products and emerging technologies	343 participants attended 20 workshops across six states
ALC and ATA	Develop a Master Registered Industry Code of Practice	Public consultation on draft code commencing July 2018 (see page 17)
Australian Livestock and Rural Transporters Association	Construct stock crate Pivoting Access Landing frame and investigate feasibility of user-pay loading and unloading infrastructure for livestock	Trial commenced. Project will progress in 2018-19
Bus Industry Confederation	Develop national standard for school bus light systems	Working committee formed, research undertaken and drafting of standards underway
Bus Industry Confederation	Develop bus fire evacuation protocol as a practical training tool for drivers and managers	Draft protocol completed and undergoing review
Caravan Industry Association of Australia	Educate caravaners and RV travellers about the appropriate use of rest stops	Campaign to be launched in Gippsland in 2018-19
Heavy Vehicle Compliance Monitoring Network	Expand NSCN	Cameras installed at two new sites in Queensland and one in Victoria (see page 15)
Safe Freight Networks Australia	Roll out local Safe Freight Networks in areas with higher-than-average heavy vehicle crashes	Eight Safe Freight Networks established in Queensland, South Australia and Victoria
NHVR	Implement secure, national, confidential telephone service to report operational safety issues relating to heavy vehicle transport activities (HVCRL)	Go-live date 2 July 2018 (see pages 26-27)
South Gippsland Shire Council	Hold six-month trial of fog driving awareness in fog-prone areas with associated operational plan and communication strategy	Project unable to be completed due to lack of fog events
TRUCKRIGHT	Install, and communicate role of, green reflective markers for informal truck bays in high-risk areas on the Newell Highway in New South Wales	Markers installed. To be formally launched in 2018-19

National Heavy Vehicle Regulator

Financial Statements for year ended 30 June 2018

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5 Financial statements

This part of the report provides our financial statements, audit opinion and explanatory notes for 2017-18.

Statement of Profit or Loss and Other Comprehensive Income for year ended 30 June 2018

	Note	2018	2017
		\$000	\$000
Income from continuing operations			
Regulatory income	2	144,026	148,869
Other contributions	3	8,868	3,852
Fee income	4	4,964	3,792
Other income	5	1,708	1,590
Total income from continuing operations		159,566	158,103
Expenses from continuing operations			
Employee and related expenses	6	29,812	23,180
Service agreement payments	7	98,303	103,174
Third party services	8	10,316	10,678
Operating leases		2,268	1,398
Depreciation and amortisation	9	1,723	2,306
Financing costs	10	358	383
Other expenses	11	6,416	3,752
Total expenses from continuing operations		149,196	144,871
Operating surplus from continuing operations		10,370	13,232
Total surplus for the period		10,370	13,232
Other comprehensive income		-	-
Total comprehensive income		10,370	13,232

Statement of Financial Position as at 30 June 2018

Assets			
Current assets			
Cash and cash equivalents	26	39,662	32,057
Trade and other receivables	12	13,440	30,848
Other current assets	13	760	545
Total current assets		53,862	63,450
Non current assets			
Plant and equipment	14	767	342
Intangible assets	15	7,239	7,379
Total non current assets		8,005	7,721
Total assets		61,867	71,171
Liabilities			
Current liabilities			
Trade and other payables	16	2,960	20,792
Loan liabilities	17	1,871	4,408
Accrued employee benefits	18	3,237	2,922
Unearned revenue		1,530	5
Total current liabilities		9,599	28,128
Non current liabilities			
Loan liabilities	17	6,099	7,625
Accrued employee benefits	18	1,277	895
Total non current liabilities		7,376	8,521
Total liabilities		16,975	36,649
Net assets		44,893	34,523
Equity			
Accumulated surplus		44,893	34,523
Total equity		44,893	34,523

Statement of Changes in Equity for year ended 30 June 2018

	Accumulated surplus	Total
	\$000	\$000
Balance as at 1 July 2016	21,290	21,290
Operating result from continuing operations	13,232	13,232
Balance as at 30 June 2017	34,523	34,523
Balance as at 1 July 2017	34,523	34,523
Operating result from continuing operations	10,370	10,370
Balance as at 30 June 2018	44,893	44,893

Statement of Cash Flows for year ended 30 June 2018

	Note	2018	2017
		\$000	\$000
Cash flows from operating activities			
<i>Inflows:</i>			
Regulatory income		163,043	128,388
Other contributions		10,388	3,852
GST refunded from Australian Taxation Office		13,225	9,584
Receipts from operating activities (NHVAS and Access)		4,709	4,268
Interest received		1,317	1,491
Other		410	29
		193,092	147,612
<i>Outflows:</i>			
Employee and board related expenses		(29,299)	(22,829)
Supplies and services		(149,760)	(122,038)
		(179,059)	(144,867)
Net cash provided by / (used in) operating activities	19	14,033	2,745
Cash flows from investing activities			
<i>Outflows:</i>			
Payments for plant and equipment		(536)	(243)
Payments for intangible assets		(1,471)	(3,769)
Net cash provided by / (used in) investing activities		(2,007)	(4,012)
Cash flows from financing activities			
<i>Outflows:</i>			
Loan repayments		(4,421)	(590)
Net cash provided by / (used in) financing activities	20	(4,421)	(590)
Net increase / (decrease) in cash and cash equivalents		7,605	(1,857)
Cash and cash equivalents at the beginning of the period		32,057	33,914
Cash and cash equivalents at the end of the period		39,662	32,057

The accompanying notes form part of these statements.

Note 1: Basis of financial statement preparation

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

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

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

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

Following access permitting system issues encountered on commencement of the Heavy Vehicle National Law, transitional arrangements were put in place for road managers to process certain types of heavy vehicle access applications. At 30 June 2018 the Regulator has successfully transferred back the delegations (Class 1 and 3) from three Jurisdictions - Australian Capital Territory, Victoria and South Australia.

(b) Statement of compliance

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

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

The financial statements were authorised for issue by the Board of the Regulator on 28 August 2018.

(c) The reporting entity

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

(d) Going concern

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

Notwithstanding the ongoing dependence on participating state and territory government agencies for funding, the Board is of the opinion that the Regulator is a going concern and this financial report is prepared on that basis.

(e) Insurance

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

(f) Taxation

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

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

(g) Estimates and judgements

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

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

(h) Rounding and comparatives

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

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

(i) New and revised accounting standards

Future impacts of Accounting Standards not yet effective

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

AASB 15 Revenue from Contracts with Customers

This standard will first apply to the Regulator's financial statements from 2019-20. The Regulator's revenue is principally derived from regulatory income which will be measured under AASB 1058 Income for Not-for-Profit and will be unaffected by this change.

AASB 1058 Income of Not-for-Profit Entities

This standard will first apply to the Regulator's financial statements from 2019-20. The Regulator does not currently have any revenue contracts with a material impact for the period after 1 July 2018, and will monitor the impact of any such contracts subsequently entered into before the new standard takes effect.

AASB 9 *Financial Instruments and AASB 2014–7 Amendments to Australia Accounting Standards arising from AASB 9 (December 2014)* These standards will first apply to the Regulator’s financial statements for 2018–19. The main impacts of these standards on the Regulator are that they will change the requirements for the classification, measurement, impairment and disclosures associated with the Regulator’s financial assets. AASB 9 will introduce different criteria for whether financial assets can be measured at amortised cost or fair value.

Assuming no change in the types of transactions the Regulator enters into, all of the Regulator’s financial assets are expected to be required to be measured at fair value. In the case of the Regulator’s current receivables, as they are short-term in nature, the carrying amount is expected to be a reasonable approximation of fair value. Changes in the fair value of those assets will be reflected in the Regulator’s operating result.

The Regulator will not need to restate comparative figures for financial instruments on adopting AASB 9 as from 2018–19.

AASB 16 Leases

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

Impact for lessees

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

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

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

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

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

Note 2: Regulatory income

	2018	2017
	\$000	\$000
VicRoads (Vic)	42,530	43,800
Roads and Maritime Services (NSW)	42,700	42,700
Transport and Main Roads (Qld)	41,839	42,769
Department for Planning, Transport and Infrastructure (SA)	12,157	14,800
Office of Regulatory Services, Justice and Community Safety (ACT)	800	800
Department of Infrastructure, Energy and Resources (Tas)	4,000	4,000
Total regulatory income	144,026	148,869

Accounting policy – Regulatory income

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

Note 3: Contributions

Commonwealth contributions ⁽¹⁾	3,868	3,852
State and territory contributions ⁽²⁾	5,000	-
Total grants and other contributions	8,868	3,852

Accounting policy – Contributions

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

Disclosure – Contributions

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

⁽²⁾ In 2017–18 the Regulator received a contribution from Jurisdictions for the Safety Compliance Regulatory Platform.

Note 4: Fee income

National Heavy Vehicle Accreditation Scheme (NHVAS) fees	2,906	3,042
Work diaries	216	-
Access permit fees	1,842	749
Total fee income	4,964	3,792

Accounting policy – Fee income

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

Note 5: Other income

	2018	2017
	\$000	\$000
Interest income ⁽¹⁾	1,443	1,553
Sundry revenue	264	38
Total other income	1,708	1,590

Accounting policy – Other income

Interest income

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

Disclosure – Other income

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

Note 6: Employee and related expenses

Wages and salaries	25,514	19,924
Employer superannuation contribution	2,629	2,045
Payroll tax	1,376	1,092
Other employee related expenses	292	118
Total employee and related expenses	29,812	23,180

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

Number of employees as at 30 June 2018:	245	181
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Accounting policies – Employee expenses

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

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

Wages and salaries

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

Annual leave

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

Sick leave

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

Long service leave

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

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

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

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

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

Superannuation

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

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

Note 7: Service agreement payments

	2018	2017
	\$000	\$000
Vic Roads (Vic)	13,400	13,400
Roads and Maritime Services (NSW)	56,500	56,500
Transport and Main Roads (Qld)	21,086	20,700
Department for Planning, Transport and Infrastructure (SA)	2,762	7,750
Office of Regulatory Services, Justice and Community Safety (ACT)	1,357	1,357
Department of Infrastructure, Energy and Resources (Tas)	2,248	2,248
Transport Certification Australia	950	1,219
Total service agreement payments	98,303	103,174

Accounting policy - Service agreement payments

In 2017-18 payments were provided to state and territory government agencies for the provision of certain regulatory services in accordance with service agreements. Services include compliance and enforcement, vehicle inspection standards, regulatory audits, access management and customer service.

Note 8: Third party services

	2018	2017
	\$000	\$000
Contractor costs	5,145	6,302
IT systems support	2,540	2,046
Managed services ⁽¹⁾	1,228	1,244
Equipment purchases	356	135
Software purchases	300	328
Telecommunication costs	360	216
Advisory services	193	223
Internal audit fees	163	136
External audit fees ⁽²⁾	31	47
Total third party services	10,316	10,678

Disclosure - Third party services

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

⁽²⁾ Total audit fees to be paid to PKF relating to 2017-18 financial statements are quoted to be \$37,000 (2017: \$36,500).

Note 9: Depreciation and amortisation

	2018	2017
Plant and equipment	97	31
Computer hardware	14	19
Computer software (intangible asset)	1,611	2,256
Total depreciation and amortisation	1,723	2,306

Accounting policy - refer to Notes 14 and 15.

Note 10: Financing costs

	2018	2017
Interest expense on loans ⁽¹⁾	358	383
Total financing costs	358	383

Accounting policy - financing costs

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

Disclosure - Financing costs

⁽¹⁾ Interest expense on loans from the State of Victoria was \$347,313. Interest rates vary from 3.00% to 4.20%.

⁽¹⁾ Interest expense on loans from the Northern Territory was \$10,420 with an applicable interest rate of 5.255%.

Note 11: Other expenses

	2018	2017
Office related expenses	3,538	1,933
Licence fees	497	250
Marketing and communication related expenses	422	204
Insurance	235	208
Travel expenses	1,273	706
Board fees	427	428
Other board related expenses	24	23
Total other expenses	6,416	3,752

Note 12: Trade and other receivables

	2018	2017
	\$000	\$000
Trade receivables	10,151	28,055
GST - net receivable	2,971	2,581
Interest receivable	260	138
Other receivables	59	74
Total trade and other receivables	13,440	30,848

Accounting policy - Receivables

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

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

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

Note 13: Other current assets

Prepayment		
Annual licence fees	299	296
Insurance	77	52
Support and maintenance	222	70
Rent	161	126
Total other current assets	760	545

Note 14: Plant and equipment

a) Classes of plant and equipment

Plant and equipment	\$000	\$000
At cost	653	128
Less: accumulated depreciation	(135)	(38)
	518	90
Computer hardware		
At cost	105	105
Less: accumulated depreciation	(89)	(74)
	16	31
Work in progress:		
Carrying amount at 1 July 2017	-	-
Acquisitions	232	221
Carrying amount at 30 June 2018	232	221
Total plant and equipment	767	342

Accounting policy - Recognition

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

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

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

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

Accounting policy – Cost of Acquisition

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

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

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

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

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

Disclosure – Depreciation

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

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

b) Reconciliation of movement in plant and equipment 2017-18

	Plant and equipment	Computer hardware	Capital works in progress	Total
	\$000	\$000	\$000	\$000
Balance as at 1 July 2017	90	31	221	342
Acquisitions	304	-	232	536
Disposals	-	-	-	-
Transfers between classes	221	-	(221)	-
Depreciation	(97)	(14)	-	(112)
Impairment losses recognised in operating surplus	-	-	-	-
Carrying amount at 30 June 2018	518	16	232	767

Reconciliation of movement in plant and equipment 2016-17

Balance as at 1 July 2016	135	50	-	185
Acquisitions	22	-	221	243
Disposals	-	-	-	-
Transfers between classes	(36)	-	-	(36)
Depreciation	(31)	(19)	-	(50)
Impairment losses recognised in operating surplus	-	-	-	-
Carrying amount at 30 June 2017	90	31	221	342

Note 15: Intangible assets

a) Classes of intangible assets

	2018	2017
	\$000	\$000
Internally generated software (completed)		
At cost	19,027	14,088
Less: accumulated amortisation	(11,789)	(10,177)
Carrying amount at 30 June 2017	7,239	3,911
Internally generated software (WIP)	0	3,468
Total intangible assets	7,239	7,379

Internally generated software (completed)		
Carrying amount at 1 July	3,911	1,385
Transfers from WIP	4,939	4,782
Amortisation	(1,611)	(2,256)
Carrying amount at 30 June	7,239	3,911

b) Reconciliation of movement in intangible assets

Internally generated software (WIP):		
Carrying amount at 1 July	3,468	4,480
Acquisitions	1,471	4,005
Writeback	-	(235)
Transferred to asset account	(4,939)	(4,782)
Carrying amount at 30 June 2018	0	3,468

Accounting policy – Intangible assets and amortisation

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

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

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

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

Note 16: Trade and other payables

Trade payables	447	688
Other payables		
Accrued expenses	2,364	19,958
Other payables	150	146
	2,514	20,104
Total trade and other payables	2,960	20,792

Accounting policy – Payables

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

Note 17: Loan liabilities

Current		
Interest bearing government loans	1,871	1,710
Non-interest bearing government loans	-	2,699
	1,871	4,408

Disclosure – Loan liabilities (current)

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

Non-current		
Interest bearing government loans	6,099	7,625
Non-interest bearing government loans	-	-
	6,099	7,625
Total loan liabilities	7,970	12,034

Disclosure – Loan liabilities

The Regulator received various tranches of loan funding between December 2012 and May 2014. Outstanding loan fundings as at 30 June 2018 have been summarised in the table below:

Summary of loan funding outstanding by participating states and territories

	VIC	Total
	\$	\$
2013-14		
2013-14 operating costs	4,458,926	4,458,926
Interest rates	4.20%	
2013-14 supplementary funding	1,970,000	1,970,000
Interest rates	4.20%	
Total loan funds received	6,428,926	6,428,926

In 2017-18 the Regulator paid \$1,320,500 in loan repayments to VicRoads; \$467,026 to Department of Transport (NT) and \$2,632,957 to Department of Planning, Transport and Infrastructure (SA). Further loan repayments are scheduled to be made each year until 2023-24.

Interest expense in 2017-18 of \$357,733 has been recognised in relation to interest bearing loans from participating state and territory government agencies (refer to Note 10).

Reconciliation of total loan funding received to balance of loan liabilities

	2018	2017
	\$000	\$000
Total loan liabilities opening balance	12,034	12,241
Interest expense	358	383
Amortisation (finance cost) of fair value adjustments	-	-
	12,392	12,624
Less loan repayments	(4,421)	(590)
Total loan liabilities closing balance	7,970	12,034

Note 18: Accrued employee benefits

	2018	2017
	\$000	\$000
Current		
Wages and salaries accrued	508	416
Annual leave	2,341	2,094
Long service leave	388	412
	3,237	2,922
Non-current		
Long service leave ⁽¹⁾	1,277	895
	1,277	895
Total accrued employee benefits	4,514	3,817

Accounting policy – refer to Note 6

Disclosure – Accrued employee benefits

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

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

Operating surplus	10,370	13,232
Adjusted for		
Finance costs (amortisation of fair value and interest expense on loans)	358	383
Net loss on disposal of plant and equipment	-	36
Depreciation and amortisation	1,723	2,306
	2,081	2,725
Change in assets and liabilities		
Change in trade receivables - interest	(122)	(61)
Change in trade receivables - net GST receivable	(390)	(1,621)
Change in other receivables	17,920	(20,150)
Change in other assets	(215)	(105)
Change in assets	17,193	(21,937)
Change in trade and other payables	(17,832)	8,135
Change in accrued employee benefits	697	1,089
Change in unearned revenue	1,524	(500)
Change in liabilities	(15,611)	8,725
Net cash inflows / (outflows) from operating activities	14,033	2,745

Note 20: Changes in Liabilities Arising from financing activities

	Borrowings	Lease	Other	Total
	\$000	\$000	\$000	\$000
Balance as at 1 July 2016	12,241	-	-	12,241
Net cash from / (used) in finance activities	(590)	-	-	(590)
Changes in fair values	-	-	-	-
Other non-cash changes	383	-	-	383
Balance as at 30 June 2017	12,034	-	-	12,034
Net cash from / (used) in finance activities	(4,421)	-	-	(4,421)
Changes in fair values	-	-	-	-
Other non-cash changes	358	-	-	358
Balance as at 30 June 2018	7,970	-	-	7,970

Note 21: Key management personnel and remuneration expenses

a) Board members

1 July 2017 – 30 June 2018:

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

1 July 2016 – 30 June 2017:

Board Chair	12/10/2012	110,503			10,498		121,001
Board Member	12/10/2012	82,877			7,873		90,751
Board Member	12/10/2012	62,808			8,008		70,816
Board Member	12/10/2012	62,808			5,967		68,774
Board Member	12/10/2012	70,370			6,685		77,055
Total remuneration		389,366	-	-	39,031	-	428,397

b) Key executive management personnel

The following details for key executive management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of the Regulator during 2017-18.

Position	Responsibilities	2017-18		
		Contract Classification	Date Appointed	End Date
Chief Executive Officer	Accountable to the Board of Directors for the overall management and operation of the Regulator.	Common law contract	19/05/2014	
Executive Director Business Services ⁽¹⁾	Manages finance, procurement, audit, human resources, IT, facilities and the projects portfolio.	Common law contract	14/03/2016	09/03/2018
Executive Director Regulatory and Legal Services	Manages legal services, legal risk management and compliance.	Common law contract	02/01/2013	
Executive Director Regulatory Compliance	Manages regulatory compliance and enforcement activities, major accidents investigation and operational planning.	Common law contract	27/01/2015	
Executive Director Productivity & Safety	Manages operational delivery of performance based standards, vehicle standards, accreditation and fatigue management.	Common law contract	23/02/2015	
Executive Director Network Access	Manages the heavy vehicle access permit process, demand management and infrastructure standards.	Common law contract	07/10/2013	
Executive Director Strategy & Stakeholder Relations	Manages strategy and planning, operational agreements, policy and planning, intergovernmental relations, industry engagement and communications.	Common law contract	16/03/2015	

⁽¹⁾ The Executive Director Regulatory and Legal Services was appointed Acting Executive Director Business Services during the period 12 March 2018 – 30 June 2018.

c) Remuneration expenses

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

Short term employee expenses which include:

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

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

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

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

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

	Short term employee expenses		Long term employee expenses	Post employment expenses	Termination benefits	Total expenses
	Monetary	Non-monetary				
	\$	\$	\$	\$	\$	\$
1 July 2017 – 30 June 2018	1,778,094	17,741	351,025	150,473	-	2,297,333
1 July 2016 – 30 June 2017	1,788,226	15,065	332,604	157,457	64,551	2,357,903

d) Performance Payments

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

Note 22: Commitments for expenditure

(a) Non-cancellable operating lease

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

	2018	2017
	\$000	\$000
Not later than one year	1,516	1,970
Later than one year and not later than five years	2,627	3,970
Later than five years	-	-
Total	4,143	5,940

The operating lease relates to office accommodation and includes escalation.

(b) Support and maintenance expenditure commitments

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

Not later than one year	1,509	1,369
Later than one year and not later than five years	2,705	913
Total	4,214	2,281

Note 23: Contingencies

Financial guarantees

A financial guarantee is in place with respect of the lease for office accommodation. The Regulator has a facility of \$1,050,000 with the Commonwealth Bank of Australia Ltd of which the following guarantee (\$590,137.50) has been issued:

- AMP Capital Investors LTD (lease for Level 3, 76A Skyring Terrace, Newstead QLD, 4006).

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

Note 24: Agency transactions

Accounting policy - Agency transactions

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

a) National work diary fees

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

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

2017	Fees Received	Fees Paid	Payable at 30/06/2017
National work diary fees	\$000	\$000	\$000
VicRoads (Vic)	1,032	867	1,032
Total national work diary fees	1,032	867	1,032

b) Access permit fees

Under delegation, road managers are responsible for the access decision as well as collection of permit fees and associated administrative functions under the *Heavy Vehicle National Law Act 2012*. VicRoads (Vic) opted to transfer to the Regulator fees collected for access permit applications processed under delegation. A summary of fees received, paid and payable for the period are as follows:

2018	Fees Received	Fees Paid	Payable at 30/06/2018
Access permit fees	\$000	\$000	\$000
VicRoads (Vic)	-	-	-
Total access permit fees	-	-	-

2017	Fees Received	Fees Paid	Payable at 30/06/2017
Access permit fees	\$000	\$000	\$000
VicRoads (Vic)	-	268	-
Total access permit fees	-	268	-

Disclosure - Agency transactions

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

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

Note 25: Events occurring after balance date

The Board of the Regulator is not aware of any other events subsequent to 30 June 2018 that could materially affect the financial statements as presented.

Note 26: Financial instruments

Accounting policies - Financial instruments

Recognition

Financial assets and liabilities are recognised in the Statement of Financial Position when the Regulator becomes party to the contractual provisions of the financial instrument.

Classification

Financial instruments are classified and measured as follows:

Cash and cash equivalents - held at fair value through the Profit or Loss

Trade receivables - held at amortised cost

Trade payables - held at amortised cost

Borrowings - held at amortised cost

Borrowings are initially recognised at fair value, plus any transaction costs directly attributable to the borrowings, then subsequently held at amortised cost.

Any borrowing costs are added to the carrying amount of the borrowing to the extent they are not settled in the period in which they arise. Borrowings are classified as non-current liabilities to the extent that the Regulator has an unconditional right to defer settlement until at least 12 months after reporting date.

Apart from cash and cash equivalents, the Regulator holds no financial assets classified at fair value through the Statement of Profit or Loss and Other Comprehensive Income.

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

(a) Categorisation of financial instruments

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

	Note	2018	2017
Category		\$000	\$000
Financial assets			
Cash and cash equivalents	-	39,662	32,057
Trade and other receivables	12	13,440	30,848
Total		53,102	62,905

Financial liabilities			
Trade payables	16	2,960	20,792
Loan liabilities	17	7,970	12,034
Total		10,931	32,826

(b) Credit risk exposure

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

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

Maximum exposure to credit risk			
Category			
Cash and cash equivalents		39,662	32,057
Trade receivables	12	10,151	28,055
Total		49,813	60,112

Disclosure - Credit risk exposure

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

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

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

(c) Liquidity risk

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

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

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

Financial liabilities	2017 Payable in			Total
	<1 year	1-5 Years	>5 Years	
	\$000	\$000	\$000	\$000
Loan repayments				
Interest bearing government loans	1,788	6,031	2,969	10,789
Non-interest bearing government loans	2,633	-	-	2,633
Total loan repayments	4,421	6,031	2,969	13,422
Trade payables	20,792	-	-	20,792
Total	25,213	6,031	2,969	34,214

(d) Market risk

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

(e) Interest rates sensitivity analysis

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

Financial instrument	Carrying amount	2017 Interest Rate Risk			
		-1%		+1%	
		Profit	Equity	Profit	Equity
	\$000	\$000	\$000	\$000	\$000
Cash and cash equivalent	32,057	12,912	34,202	13,553	34,843
Potential impact		(321)	(321)	321	321

Disclosure – Interest rates

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

(f) Fair value

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

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

	2017	
	Carrying amount	Fair value
Year ended 30/06/2017	\$000	\$000
Interest bearing government loans	9,335	9,541
Non-interest bearing government loans	2,699	2,555
Total	12,034	12,096

Disclosure – Fair value

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



**Certificate of National Heavy Vehicle Regulator
for the period 1 July 2017 to 30 June 2018**

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

(a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and

(b) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of National Heavy Vehicle Regulator for the period 1 July 2017 to June 30 2018 and of the financial position of the Regulator at the end of that period.

29 August 2018

A handwritten signature in dark blue ink, appearing to read "Bruce Baird".

The Hon. Bruce Baird AM
BOARD CHAIR

A handwritten signature in dark blue ink, appearing to read "Sal Petrocchio".

Sal Petrocchio
CHIEF EXECUTIVE OFFICER

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

Report on the Financial Report

Opinion

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

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

- a) Giving a true and fair view of the entity's financial position as at 30 June 2018 and of its performance for the year ended on that date; and
- b) Complying with Australian Accounting Standards.

Basis for Opinion

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

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

Independence

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

Other Information

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

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

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

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

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

Other Matter – Electronic presentation of the Audited Financial Report

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

Boards' Responsibilities for the Financial Report

The Board of the entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Heavy Vehicle National Law Act 2012* and for such internal control as the Board determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the Board also states, in accordance with Australian Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

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

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

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

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

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

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

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

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



PKF Hacketts



Cameron Bradley
Partner

28 August 2018
Brisbane



Appendices and reference tools

This section contains key performance statistics, an alphabetical index and abbreviations list.

Appendix A: Operating statistics

Access operations

Table A.1 Access permit applications and turnaround times

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

Table A.2 Total pre-approvals by participating road managers as at 30 June ⁵

State or territory	2017-18		2016-17		2015-16		2014-15	
	Total	Impacted road managers	Total	Impacted road managers	Total	Impacted road managers	Total	Impacted road managers
ACT	10	1	7	1	5	1	3	1
NSW	588	92	673	100	409	87	227	69
QLD	414	77	362	72	230	71	72	28
SA	273	46	156	40	113	32	50	24
TAS	119	29	111	25	91	22	80	23
VIC	621	84	360	79	278	70	216	51
Total	2,025	329	1,669	317	1,126	283	648	196

¹ Includes NHVR-generated cases from renewals.

² Permit applications completed, refused, delegated or closed.

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

⁴ This figure includes applications from the Department of Defence, which have a very high complexity and are therefore managed directly by the Department of Defence. OSOM applications were prioritised and these had an average NHVR processing time of 2.83 days in June 2018, with exception of Department of Defence applications. These figures are inclusive of weekends.

⁵ Approvals from a road manager to the NHVR to issue a permit without a formal consent via a pre-approval or a pending gazette.

NHVAS

Table A.3 NHVAS applications by state/territory

	2017-18		2016-17		2015-16		2014-15	
	Created	Closed	Created	Closed	Created	Closed	Created	Closed
NSW	10,011	10,057	8,536	8,426	7,725	7,693	6,645	6,668
NT	269	274	277	275	273	273	192	198
QLD	8,646	8,703	7,761	7,657	7,042	7,028	6,159	6,210
SA	5,452	5,487	4,663	4,617	4,454	4,436	3,984	4,014
TAS	588	599	671	663	527	525	421	422
VIC	7,785	7,836	6,519	6,435	5,714	5,693	5,176	5,196
WA	4	4	0	0	0	0	0	0
Total	32,755	32,960	28,427	28,073	25,735	25,612	22,577	22,708

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

	2017-18	2016-17	2015-16	2014-15
Number of accredited operators				
Accredited operators	6,946	6,607	6,188	6,232
Accredited operators by module				
Mass	5,726	5,312	4,867	4,688
Maintenance	3,075	2,899	2,774	2,705
Basic Fatigue Management	2,222	2,073	1,975	1,914
Advanced Fatigue Management	46	47	44	41
Nominated vehicles				
Mass	39,433	36,308	33,379	30,945
Maintenance	106,763	99,421	95,749	92,611

Table A.5 Total accredited operators, accredited operators by module and nominated vehicles by state/territory as at 30 June 2018

	QLD	NSW	NT	SA	TAS	VIC	WA	Total
Number of accredited operators								
Accredited operators	1,353	1,921	36	1,372	188	2,074	2	6,946
Accredited operators by module								
Mass	958	1,565	6	1,073	183	1,940	1	5,726
Maintenance	857	893	35	954	16	319	1	3,075
Basic Fatigue Management	517	854	12	265	43	529	2	2,222
Advanced Fatigue Management	30	9	1	3	0	3	0	46
Nominated vehicles								
Mass	9,532	11,374	308	4,933	1,524	11,771	1	39,443
Maintenance	39,820	30,808	1,937	17,605	358	16,234	1	106,763

PBS

Table A.6 PBS vehicle design and approval applications

	2017-18		2016-17		2015-16		2014-15	
	Received	Approved	Received	Approved	Received	Approved	Received	Approved
Vehicle design applications ¹	387	387	392	392	357	357	389	389
Vehicle approval applications	1,486	1,466	1,258	1,249	882	882	639	639

Table A.7 PBS vehicle design applications by vehicle type

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

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

	2017-18	2016-17	2015-16	2014-15
Individual units ²	7,344	5,281	3,818	3,762
Vehicle combinations ³	1,741	1,403	914	894

1 Total number of new applications, amendments and variations.

2 Truck, trailer or dolly.

3 Number of approved combinations relating to individual units.

Vehicle Standards

Table A.9 Vehicle Standards applications and approvals

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

Customer service

Table A.10 Call centre activity

Task	2017-18	2016-17	2016-17	2014-15
Calls received by call centre	60,260	53,038	55,027	52,332
Grade of service - % calls answered in 20 seconds	73	70	78	83
Average handling time per call - minutes:seconds	6:14	5:48	4:24	5:08
% of calls transferred to the NHVR	7	9	9	10
% of calls transferred to jurisdictions	0.17	0.01	2	1

Notices

Table A.11 Notices of exemption or authorisation made under the HVNL

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

Table A.12 Number of existing transitional notices made under former corresponding laws

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

Appendix B: Management and accountability data

Regulatory and legal

Table B.1 Statutory applications, referrals and complaints

	2017-18	2016-17	2015-16	2014-15
Queensland				
Statutory applications ¹	4	1	0	0
Statutory complaints ²	1	1	0	0
Coroner notifications as interested persons	1	2	0	2 ³
South Australia⁴				
Briefs received for adjudication ⁵	337	346		
Total matters assessed	270	283		
Information and summons issued	230	241		
Ex parte leave - guilty	70	65		
Withdrawals	11	26		
Trials	0	1		
Pleas	162	118		
Total matters concluded	243	209		

Our people

Table B.2 Workforce profile as at 30 June 2018⁶

	ELT	Senior managers	Employed under an EA	Contractor/agency	Total
Permanent	6	33	152	0	191
Temporary	0	0	55	0	55
Contractor/agency	0	0	0	26	26
Total	6	33	207	26	272

Table B.3 Employees by classification and gender as at 30 June 2018

	Total	Male	Female
Executive	6	5	1
Senior manager	33	26	7
Employees	207	114	93
Contractor/agency	26	15	11
Total	272	160	112

Table B.4 NHVR WHS performance

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

Stakeholder engagement

Table B.5 Stakeholder engagement and communication activities

	2017-18	2016-17	2015-16	2014-15
Industry updates (<i>On the Road</i> e-newsletter)	25	30	24	22
Keynote speeches and presentations	32	41	65	102
Local government updates (e-newsletter)	4	5	6	5
Media releases	66	56	48	31
Social media reach	2,656,081	1,380,460	1,629,265	n/a
Stakeholder forums ⁷	13	15	12	13
Website hits	1,481,880	926,906	670,440	550,353

1 Applications under the *Information Privacy Act 2009 (Qld)* or *Right to Information Act (2009)*.

2 Complaints or disclosures made under the *Crime and Corruption Act 2001 (Qld)*, the *Public Interest Disclosure Act 2010 (Qld)* or their interstate counterparts.

3 This figure reflects two matters in respect of which notifications were received but the matter did not proceed to a full enquiry [Mitchell Ian Janke - 2013/00196047, and Sha Liu - 2013/00195996].

4 From July 2016, when prosecutions transferred to the NHVR.

5 Includes 56 briefs received from SAPOL from January 2018.

6 Full-time equivalent employees.

7 IRF and IOG meetings held.

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Abbreviations list

ADR	Australian Design Rules	HVCRL	Heavy Vehicle Confidential Reporting Line	NSCN	National Security Camera Network
ALC	Australian Logistics Council	HVNL	Heavy Vehicle National Law	NST	National Service Transition
ALRTA	Australian Livestock and Rural Transporters Association	HVSI	Heavy Vehicle Safety Initiative	NTC	National Transport Commission
ARRB	Australian Road Research Board	IPWEA	Institute of Public Works Engineering Australasia	OSOM	Oversize over mass
ARTSA	Australian Road Transport Suppliers Association	IOG	Industry Operators Group	PBS	Performance Based Standards
ATA	Australian Trucking Association	IRF	Industry Reference Forum	RAVRAT	Restricted Access Vehicle Route Assessment Tool
ATM	Aggregate trailer mass	IP	Information privacy	RTI	Right to information
CCF	Civil Contractors Federation	LGA	Local government association	ROC	Regional Organisation of Councils
CICA	Crane Industry Council of Australia	LGAQ	Local Government Association of Queensland	RTO	Registered training organisation
CoR	Chain of Responsibility	MOU	Memorandum of Understanding	SLA	Service level agreement
Council	Transport and Infrastructure Council	NCIS	National Compliance Information System	TISOC	Transport and Infrastructure Senior Officials' Committee
EA	Enterprise agreement	NEVDIS	National Exchange of Vehicle and Driver Information System	TMR	Queensland Department of Transport and Main Roads
EWD	Electronic Work Diary	NFF	National Farmers Federation	VS6	Vehicle Standards Bulletin 6
GCM	Gross combination mass	NHP	National Harmonisation Project	VTA	Victorian Transport Association
GSF	Global Shippers Forum	NHVAS	National Heavy Vehicle Accreditation Scheme	WHS	Workplace health and safety
GVM	Gross vehicle mass	NHVR	National Heavy Vehicle Regulator	WWD	Written Work Diary
HML	Higher Mass Limits				



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