

RVSA Implementation Consultation Framework

RVSA Tools Consultation Group

Meeting 2

2:00pm – 4:00pm | Thursday 28 March 2019

Holiday Inn Sydney Airport | Corner O’Riordan Street & Bourke Road,
Mascot NSW

Outcomes

Participants

Chair - Sharon Nyakuengama (SN), General Manager, Vehicle Safety Standards Branch (VSS), Department of Infrastructure, Regional Development and Cities

Infrastructure

Alison Watson (AW), Director, Regulatory Design and Operational Implementation, VSS
Graham Evans (GE), Director, Program Support and Stakeholder Engagement, VSS
David Morton (DM), A/g Director, Regulatory Design and Operational Implementation, VSS
Christopher Karas (CK), Assistant Director, Regulatory Design and Operational Implementation, VSS
Stephen Spencer (SS), Director, Standards Review and Maintenance, VSS
Phoebe Jones (PJ), Regulatory Design and Operational Implementation, VSS

Industry

Organisation	Representative/s
Ascend Strategic Counsel	Peter Greenwood
Australian Automotive Dealer Association	Alex Tewes
Australian Historic Vehicle Interest Group	Doug Young
Australian Imported Motor Vehicle Industry Association (AIMVIA)	Jack Sandher Kristian Appelt
Australian Road Transport Suppliers Association (ARTSA)	Dean Abram
Australian Trucking Association	Paul Walsh

Bus Industry Confederation (BIC)	Michael Kearney Charity Arunuchalaa
Caravan Industry Association of Australia (CIAA)	Anne Campbell Victor Jundis
Council of Motor Clubs	Tom O'Donnell
Daimler Truck and Bus	Steven Ghaly
Federal Chamber of Automotive Industries (FCAI)	James Hurnall
General Motors – Holden	Rob Dyer
Heavy Vehicle Industry Australia (HVIA)	Greg Forbes
Mercedes Benz	Ellen Boyle
National Heavy Vehicle Regulator	Peter Austin
Nichibo Australia	Don Rossell
Nissan Motor Company	Daron Ng
OT Solutions	Tom Eley
Protec Developments	Peter Campbell
Queensland Department of Transport and Main Roads	Anant Bellary
RAWS Association	Rob Ogilvie Trent McMahon Murray Robertson
Subaru Australia	Hiep Bui
Toyota Motor Corporation Australia	Daniel Pegler
Truck Industry Council (TIC)	Mark Hammond Chris Loose
VicRoads	James Soo Danilo Messias Sacha Abeysekera

Apologies

Organisation	Representative
Allied Automotive	Gerard Polidano
Assistive Technology Suppliers Australia	Caroline Reid David Sinclair

Australian Automotive Aftermarket Association	Stuart Charity
Australian Historic Motoring Federation	Christine Stephens Neil Athorn
Hino Australia	Barry Noble
Honda Australia Motorcycle and Power Equipment	Greg Snart
Mitsubishi Motors Australia	John Taylor Ashley Sanders

Welcome and introductions

SN welcomed the RVSA Tools Consultation Group, referred to her introductory comments from the previous session regarding the making of the Road Vehicle Standards Rules in February 2019, and provided an overview of the session. She thanked participants for their attendance.

Discussion paper TL3 – Introduction to Authorised Vehicle Verifier Approvals

Discussion paper TL3 was circulated to participants of the RVSA Tools Consultation Group by email on 1 March 2019 and on the department’s website.

CK delivered an overview of the discussion paper. The Consultation Group considered the matters raised in the paper and the discussion questions as follows:

Role and availability of AVVs

The role of the holder of an AVV approval in the context of the Rules was discussed:

- An AVV provides an independent third party inspection service.
- One key role is to verify the modification or manufacture of a vehicle by a RAW is in accordance with a Model Report.
- However, the role of an AVV is not tied only to verifying a vehicle’s modification in accordance with a Model Report:
 - The department confirmed that AVVs could be asked to conduct inspections of other vehicles if this was made a condition of the Concessional RAV entry approval.

A participant asked whether the department had undertaken analysis of how many AVVs would be needed and how many applications the department would receive. The department said that although detailed analysis has not yet been undertaken, this will be important. Without AVV inspection, some vehicles cannot be entered on the RAV via the concessional RAV entry pathway, so it is important that there are enough AVVs available, including a spread of AVVs for the category of vehicle and geographically.

Participants discussed how the AVV assurance role could duplicate some checks performed by or on behalf of state and territory registration authorities. The department discussed how this could be acceptable as another layer of assurance, or, potentially, duplication of checks could be removed on the in-service side.

Q1 – What information will you find helpful as we develop the AVV model. For example, should we develop:

- **Additional information about conflicts of interest?**
- **Additional guidance about appropriately skilled personnel?**

The Consultation Group discussed other regulators' approaches to ensuring that staff are appropriately skilled:

- Some state and territory registration authorities partner with TAFEs to understand the skillset that is required to perform certain functions. The TAFEs provide a list of courses that the staff member must have either undertaken, or for which they must have gained Recognition of Prior Learning, in order to be appropriately skilled to perform a certain function.
- The National Heavy Vehicle Regulator (NHVR) and third party roadworthiness providers in Queensland also have frameworks for assessing skills. Participants suggested that the department may be able to access these frameworks as a model for its own skills framework.
- Participants further suggested that the department could consider implementing information sharing arrangements such as some state and territory registration authorities have now. These arrangements ensure that, for example, if the NHVR finds that a person is not appropriate to be an Authorised Vehicle Examiner (AVE) for the purpose of VSB 6 then they may also be considered inappropriate to hold other inspection roles.
- The department will continue to undertake policy development in relation to the appropriate skilling of AVV staff.

Q2 – Are there scenarios or examples that you want the department to consider:

- **If you or your members are interested in becoming an AVV do you have specific questions about whether we would consider the personnel that you have as being suitably skilled?**
- **Do you need advice on specific conflicts of interest that you have identified?**

The Consultation Group discussed numerous examples of what would and would not be considered a conflict of interest. A need for further guidance on conflicts of interest was identified, including the following matters of interest:

- Whether an AVV holding a Model Report approval or a type approval would be a conflict of interest. The department's view was that this would not constitute a conflict of interest and may in fact be positive – particularly where the holder of an AVV approval is also the holder of a Model Report approval, and so understands it in detail and may be better placed to identify modifications not performed in accordance with the Model Report.
- Whether it is a conflict of interest if the RAW is paying an AVV. The department and participants discussed at length the way there may be an inherent conflict in any

relationships between RAWs and AVVs, which is why the department expects there to be a limitation on other relationships such as close business relationships and exclusive access arrangements.

- Whether shareholdings could constitute a conflict of interest.
- The need for proactivity by an AVV to manage potential conflicts of interest.

Q3 – Do you believe we have the right balance between thorough inspection and maintaining a strong network for AVVs? Are you supportive of a randomised approach to mandatory items in the checklist? Are there certain items that we shouldn't randomise?

There was significant discussion regarding the randomised approach to mandatory items in the checklist. Overall, participants found the concept problematic, disconnected from their understanding of the role of an AVV, and in need of revision. Key concerns were:

- If the AVV only verified some items on the Model Report checklist, that could be perceived as the AVV going against the advice of the author of the Model Report and not checking items that are required to be checked.
- The AVV could not have confidence that a vehicle was modified or manufactured in accordance with a Model Report, or meets the applicable national road vehicle standards, if only some items on the checklist were verified. There was more concern around checks on modifications.
- Safety-critical features should always be checked and not subject to randomisation.
- It was not clear from the discussion paper that it was proposed that a baseline of checks would be expected for all inspections.

There was a related general lack of consensus or understanding of what the role of an AVV was, in particular:

- Whether, by entering a vehicle on the RAV, the AVV was certifying/making a statement of fact that the vehicle complies with all applicable national road vehicle standards. The department's view was that entry of a vehicle on the RAV by an AVV did not represent a statement by the AVV that the vehicle complies with the ADRs, but was more of an assurance function that the work required by the MR had in fact been undertaken.
- Whether the AVV would be obliged to apply its own analysis to ensuring that the vehicle complies with national road vehicle standards, or whether it could rely only on the Model Report checklist.

Multiple concerns were raised regarding the language of 'randomised' checklists.

Suggestions for alternative words were:

- Filtered
- Focused
- Risk-based
- Targeted

There was a general view of participants of the Consultation Group that all modifications and safety-critical features should be subject to mandatory checks by an AVV to give an appropriately thorough inspection. Their view was that where there is a work procedure in a

Model Report for a modification to a vehicle, there should be a corresponding mandatory check in the Model Report checklist for the AVV to perform. Participants were also generally of the view that, as AVVs were conducting the final inspection on vehicles prior to be added to the RAV, they should also undertake inspections related to the safe use of the vehicle, for example, rust and corrosion, and general mechanical condition.

The department agreed to take the Consultations Group's concerns on board to continue to inform its policy development and public guidance.

Q4 – How much do you think the inspection might cost given our initial thoughts about inspection procedures?

The Consultation Group did not provide initial thoughts regarding costs of inspection procedures. Participants said they needed a more settled indication of what would be required to be checked before estimates could be provided.

The department encouraged participants to come forward with any estimates regarding what AVV inspections may cost, or what they should reasonably cost.

Compliance activities relating to holders of AVV approvals

The Consultation Group discussed challenges with finding vehicles, verified by AVVs, on which to conduct compliance activities. A participant suggested having a feedback loop from in-service regulators to the department to help identify any vehicles that potentially should not have been verified. AW confirmed that this is the department's current practice, that it currently receives Vehicle Safety and Non-Compliance Reports from in-service regulators that fulfil the described function.

Equipment maintained by the holder of an AVV approval

Some participants wished to see more prescriptive or specific requirements for the equipment that holders of AVV approvals are expected to have. For example, there is a wide variety of equipment that can test for emissions, and certain equipment that an AVV may have may not realistically be able to yield meaningful test results.

Information in the inspection report

Participants discussed what could be included in the inspection report to assist in-service regulators. It was identified that this could be a helpful point-in-time recording of an odometer reading to assist in-service regulators to identify odometer-tampering. A participant noted that this information is currently recorded on consumer information statements prepared by RAWs.

Accountability for non-compliance

There was consideration of how holders of RAW and AVV approvals would be held to account if a vehicle was not compliant with the national road vehicle standards, or was not

appropriately modified, and the circumstances where one or both would be held most accountable.

Demonstration of Road Vehicle Regulator (ROVER) system application forms

GE demonstrated two application forms relating to RVSA Tools. These were still in development but were intended to give participants some indication of the functionality that the system will offer and the kinds of applications that will be required to be submitted.

System information – testing facilities register

Participants of the Consultation Group described how more information in the system about the testing facilities register would be helpful. The application form for a testing facility approval asks the applicant whether they consent to their testing facility and contact details being on the testing facility register. Participants suggested that if applicants did not understand the purpose of the register then the default answer would be ‘no’. The department said that it would provide this information, and described the system functionality for ‘help text’ which could include information on the page about the register.

Bulk applications

Participants discussed the method of application shown in the demonstration and noted that individual processing of road vehicle component type approval applications will not be practical for component type approval and type approval applications. It was suggested that there will be a need for bulk application via XML file as RVCS currently allows.

Offline functionality

Participants raised that what had been demonstrated was an online form based system, however, it is important for applicants (including agents) to be able to work offline. Applicants cannot always be in an environment where they can log on to the internet. Participants requested functionality to be able to work on forms offline.

User acceptance testing

Opportunities to test the ROVER system for applications that can be submitted from September onwards were discussed. Participants were supportive of user testing. The department confirmed that there would be some limited external user testing for the ROVER system, however, this was unlikely to be for a long period before September.

Key changes between Exposure Draft and final version of the Road Vehicle Standards Rules

PJ delivered a presentation regarding the key changes between the Exposure Draft of the Road Vehicle Standards Rules (December 2017) and the final version of the Rules (February 2019). Participants of the Consultation Group queried and discussed a number of the matters raised in the presentation, including the following:

Registered Automotive Workshop approvals – quality management systems

A participant queried whether the department had staff who were able to assess quality management systems. The department noted that:

- Currently the department has Vehicle Safety Standards Inspectors who are skilled to conduct compliance activities that involve the assessment of quality management systems, for example conformity of production audits.
- Staff conducting compliance activities under the Road Vehicle Standards legislation (for example, in relation to quality management systems) would need to be appointed as Inspectors under the legislation.
- One of the requirements for the appointment of an Inspector is that they have the appropriate skills and experience for the role.

Other matters

Future meetings

SN noted that outcomes of this meeting would be circulated to the Concessional RAV Entry Consultation Group participants for comment before a final version is put onto our website. She encouraged any comments or questions regarding implementation of the RVSA and Rules to be directed to the RVSAimplementation@infrastructure.gov.au inbox.

SN noted that the next meeting of this group will likely be in June 2019.

Ref. #	Item	Lead	Action required	Action status	RM Ref #
TL2a	Discussion paper TL3 'Introduction to Authorised Vehicle Verifier Approvals' – appropriately skilled staff	Department of Infrastructure, Regional Development and Cities (the department)	Continue to undertake policy development and preparation of guidance in relation to the appropriate skilling of AVV staff noting suggestions by the Consultation Group.	Open	
TL2b	Discussion paper TL3 'Introduction to Authorised Vehicle Verifier Approvals' – Model Report checklist	Department	Continue to undertake policy development and preparation of guidance in relation to the approach to mandatory items in the Model Report checklist, noting concerns of the Consultation Group, in particular the general view of participants that modifications and safety-critical features should be subject to mandatory checks by an AVV to give an appropriately thorough inspection.	Agreed – open	
TL2c	Discussion paper TL3 'Introduction to Authorised Vehicle Verifier Approvals' – conflicts of interest	Department	Continue to undertake policy development and preparation of guidance in relation to conflicts of interest for RAWs and AVVs, noting areas of interest and uncertainty that the Consultation Group identified.	Open	
TL2d	Discussion paper TL3 'Introduction to Authorised Vehicle Verifier Approvals' – costs and scope of inspection	Consultation Group participants	Provide the department with any estimates regarding what AVV inspections may cost, or what they should reasonably cost.	Open	
TL2e	ROVER functionality	Department	Department to consider providing functionality in ROVER for: <ul style="list-style-type: none"> Bulk application via XML file or similar, as RVCS allows, at least for road vehicle 	Open	

			<p>component type approvals and road vehicle type approvals.</p> <ul style="list-style-type: none"> Applicants, including agents, to work on application forms offline. 		
TL2f	Key changes between Exposure Draft and final version of the Road Vehicle Standards Rules	Department	Make slides from presentation available to Consultation Group participants	Open	
TL2g	Further feedback and comments on outcomes	Consultation Group participants	Provide any further feedback on discussion papers, comments on outcomes document and proposed action items by COB Friday 3 May 2019 to RVSAimplementation@infrastructure.gov.au	Open	
TL2h	Further feedback and comments on outcomes	Department	Incorporate further comment into outcomes document for circulation to the Consultation Group and posting on department's website.	Open	