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NHVR

INTRODUCTION TO SAFETY MANAGEMENT SYSTEMS IN THE HEAVY VEHICLE INDUSTRY

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ABOUT THIS GUIDE

This guide provides an overview of Safety Management Systems (SMS) for operators as defined by the Heavy Vehicle National Law (HVNL). The guide:

- highlights why developing, implementing, and maintaining an SMS is important and beneficial to your business.
- demonstrates how an SMS can assist your business to meet its primary duty under the HVNL.
- explains what a typical SMS looks like including key system requirements.
- includes examples of the Heavy Vehicle Accreditation – General Safety Accreditation SMS requirements.

Whilst this guide focusses on the SMS requirements for inclusion in Heavy Vehicle Accreditation – General Safety Accreditation, it can also be used by industry participants who are not seeking accreditation.

The document does not address requirements for Alternate Compliance Accreditation for fatigue or mass management.

SAFETY MANAGEMENT IN THE HEAVY VEHICLE INDUSTRY

Other safety critical industries, such as rail, maritime and aviation, have gained safety benefits from the adoption and implementation of a structured SMS. Similar safety benefits can also be realised across the heavy vehicle industry.

An SMS is an effective way of helping minimise the risk of safety incidents occurring. Having an SMS also clearly demonstrates that you are taking your safety obligations seriously by adopting a proactive approach to managing hazards and risks in your business.

An SMS for an operator of a heavy vehicle, is a group of policies, systems, and procedures that relate to the safety of the operator's transport activities and the driving of heavy vehicles.

The SMS should identify any potential risks, and control measures that effectively eliminate or minimise the risks. These risks may impact the safety of drivers and passengers in heavy vehicles, the safety of other road users and people near roads, as well as the protection of property including vehicles and loads, road infrastructure, and the environment.

Under the HVNL, operators wishing to participate in the Heavy Vehicle Accreditation – (HVA) General Safety Accreditation or Alternate Compliance Accreditation are required to have an effective SMS that complies with the Safety Management System Standard.

WHAT ARE MY OBLIGATIONS UNDER THE HVNL?

HVNL section 26c stipulates that each party in the Chain of Responsibility for a heavy vehicle must ensure, so far as is reasonably practicable, the safety of the party's transport activities relating to the vehicle. It means that each party must, so far as is reasonably practicable -

a. eliminate public risks and, to the extent it is not reasonably practicable to eliminate public risks, minimise the public risks; and
b. ensure the party's conduct does not directly or indirectly cause or encourage -
    i. the driver of the heavy vehicle to contravene the Law; or
    ii. the driver of the heavy vehicle to exceed a speed limit applying to the driver; or
    iii. another person, including another party in the chain of responsibility, to contravene the Law.

This is called the primary duty. Put simply, it is your responsibility to do everything you can to make your transport activities safe – this is your primary duty.

This law is very similar to the obligations that your business has under work health and safety laws. For example, under WHS laws you also need to:

- identify the risks associated with your business
- assess those risks
- eliminate those risks, or if they cannot be eliminated, minimise them as much as possible.

WHAT IS AN SMS?

Under section 457A of the HVNL, an SMS for an operator of a heavy vehicle, is a group of policies, systems, and procedures that relates to the safety of the operator's transport activities and the driving of heavy vehicles. An SMS must:

- Identify public risks associated with the operator's transport activities and the driving of heavy vehicles.
- Assess the identified public risks.
- Specify the controls to manage and mitigate the identified public risks.

An SMS provides a structured approach to managing safety risks through continuous improvement. It integrates safety processes across a business and empowers drivers, CoR parties, and management to actively address risks while fostering a safer and more efficient transport operation.

An SMS can also assist an operator, or other party in the CoR, demonstrate how they are meeting the primary duty in section 26C of the HVNL to ensure, so far as is reasonably practicable, the safety of their transport activities relating to a heavy vehicle.

To provide a consistent foundation for managing safety in the heavy vehicle industry, an SMS Standard consisting of five system requirements has been developed to guide the implementation and management of an SMS relevant to transport operations. These system requirements include:

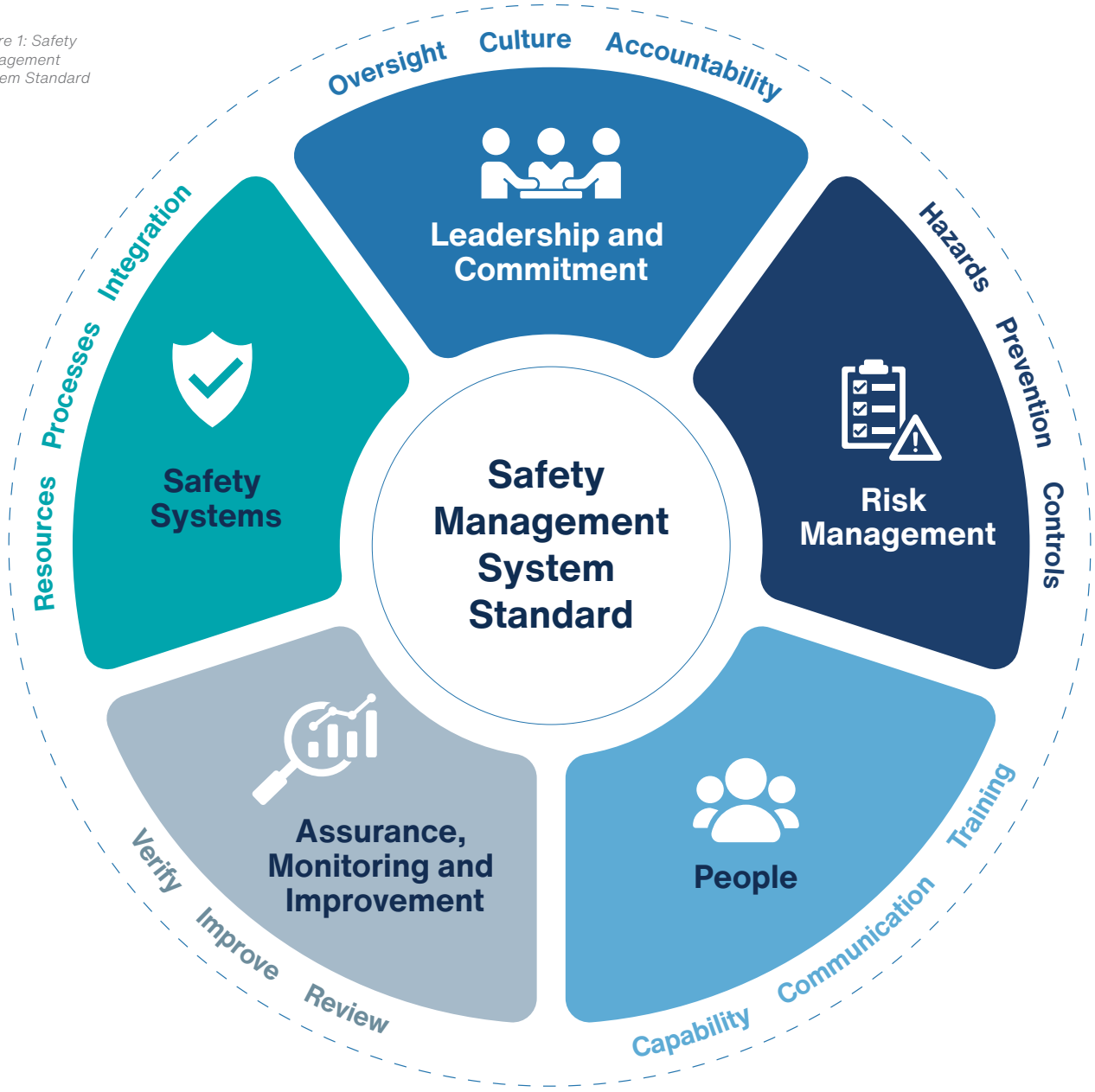
1. **Leadership and Commitment**
2. **Risk Management**
3. **People**
4. **Assurance, Monitoring and Improvement**
5. **Safety Systems**

Each of the system requirements assist in providing assurance that operators have the necessary processes to manage risks to public safety, while also enabling auditors and the NHVR to assess the maturity and effectiveness of those processes.

Operators seeking Heavy Vehicle Accreditation must have an SMS that complies with the SMS System Requirements.

A basic guide of how the SMS Standard can be broken down into clear, manageable and actionable parts can be found in *Figure 1: Safety Management System Standard.*

Figure 1: Safety Management System Standard



DOES THE SIZE OF MY BUSINESS MAKE A DIFFERENCE?

Regardless of the size of your business, having an effective SMS can be one of the best ways of ensuring you have a safety-focused business and are complying with your safety duty obligations under the HVNL.

An SMS can be scaled up or down to suit the size and complexity of any business. For example, a large transport business that undertakes a range of transport activities, with lots of employees and equipment, would require a detailed and more complex SMS to ensure safety throughout their operations. On the other hand, a smaller transport business may develop their SMS using basic procedures, checklists, and other simple tools. While these approaches are different, they can still achieve the same safety outcomes because they are appropriate for the size of the business and the activities it undertakes.

When determining your SMS requirements, you should consider the size and complexity of your transport operations including the number of workers, the type of work undertaken, i.e. dangerous goods, general freight, oversize/over mass, local work, or long distance work, for example.

You should also take into consideration the needs and expectations of other interested parties that you interact with such as your workers and other parties in the CoR, and transport activities within your control or influence that may have an impact on how you manage your safety risks and performance.

HOW WILL AN SMS HELP ME MEET MY OBLIGATIONS?

When you implement an SMS, you are taking a systematic approach to managing safety. The processes you develop and undertake as part of your SMS can assist you to demonstrate the efforts you are making to ensure the safety of your transport activities. Implementing an SMS can help you demonstrate the following:

1. Leadership and commitment

- there is commitment from business owners and senior managers to ensure and improve the safety of the transport activities the business performs
- roles and responsibilities related to safety are clearly defined
- a process is in place to manage safety when interacting with other parties
- policies and procedures are in place that document how work is performed safely.

2. Risk management

- hazards and risks in transport activities are proactively identified
- controls are in place to eliminate or minimise risks
- records are made of the efforts to manage risk.

3. People

- processes are in place to manage fitness to work
- employees are provided with appropriate and ongoing training
- there is open communication about safety.

4. Assurance, monitoring and improvement

- controls are reviewed to ensure they are appropriate
- incidents and near misses are investigated to prevent recurrence
- monitoring and measuring are undertaken to assess effectiveness
- findings from assurance activities are used to continuously improve the SMS.

5. Safety systems

- System operation
- System coordination
- Integration with operations.

THE SMS STANDARD

The SMS Standard outlines the five system requirements that an operator should align their SMS to in order to demonstrate how they are managing the risks associated with their transport activities.

You can use the examples below to help you identify which SMS system requirements you may already have in place and areas where there may be gaps to be addressed. Think about which documents, forms, tools and risk management practices would assist you in demonstrating that you are effectively meeting your primary duty.

The PSOE system (Present, Suitable, Operating, Effective) provides a simple way to assess how mature and well functioning your Safety Management System (SMS) is. It shows not just whether required elements exist, but whether they are appropriate, used in practice, and are delivering results.

- **Present (P):** Shows the *foundation level*. The SMS element exists and is documented.
- **Suitable (S):** Shows the *fit for purpose level*. The element is appropriate for the size, nature, and risk profile of the business.
- **Operating (O):** Shows the *implementation level*. The element is being consistently used in day to day operations.
- **Effective (E):** Shows the *maturity level.* The element is achieving its intended safety outcomes and contributing to continuous improvement.

As your SMS matures and becomes embedded in your day to day operations, you will progress through the PSOE system. For example, if you are only just starting to develop an SMS your documents may be present, but you may not have had enough time to test how effective they are. This progression should naturally occur with time.

Whilst the fifth system requirement of the SMS Standard details requirements for system operation, coordination and integration, it is important to keep in mind that you must coordinate and integrate your risk management activities and systems throughout the whole of your SMS for it to be successful and function effectively. Safety coordination and system integration ensures that safety practices are consistent, effective, and aligned with your overall business activities and goals. By integrating safety processes and technologies you can consolidate safety data, improve communication, and establish systematic processes to adhere to the safety standards. This integration helps in developing comprehensive safety risk management strategies that effectively reduce risks and assists in fostering a positive safety culture throughout your business.

1. LEADERSHIP AND COMMITMENT

Management commitment to safety is the commitment from managers, particularly business owners and senior management, to ensuring their employees and anyone impacted by their operations are not exposed to unacceptable safety risks.

The importance of management commitment is reinforced in the HVNL which identifies owners and other parties in the CoR as the accountable persons for safety within a business. Management is responsible for making decisions and directing how a business undertakes its transport activities. It is the actions and behaviour of management that influences the work environment and the way employees view and manage safety.

Business owners and parties in the CoR have a legal responsibility to exercise due diligence to ensure the business complies with their safety obligations. A visible and demonstrated commitment to safety by management always underpins an effective SMS and positive safety culture. It illustrates to all staff, customers and third parties how seriously safety is taken by your business and should be reflected in the way the organisation operates on a day-to-day basis.

1.1 Responsibility and accountability

For an SMS to work effectively, everyone in the business needs to be involved. Responsibilities and roles in the SMS will be different depending on the work people do. It's important that management has a clear understanding of the business's activities and uses that understanding to assign responsibility and accountability to manage public risk. It is also important that everyone is clear about what's required of them and who holds safety critical responsibilities.

Ensuring employees clearly understand their role in the SMS and the behaviour expected of them will help activities to be carried out safely and efficiently, reducing confusion and unnecessary duplication of work. Empowering drivers and other workers to report safety hazards, risks, incidents, or areas for improvement, without fear of reprisal enhances the safety culture of the business and can allow for hazards and risks to be mitigated before any harm is done.

Identifying who will be responsible for performing different activities in the SMS is a good starting point for managing your responsibilities. It's important to ensure anyone who has a safety responsibility has appropriate training, competency, and resources to undertake the required tasks.

For example, it may not be appropriate for someone to develop driver schedules if they don't have a good understanding of related fatigue management requirements or practices. Engaging appropriate employees and documenting and communicating safety responsibilities are examples of how you can manage your safety responsibilities.

Safety responsibilities can be documented in any format that suits your business. For example:

- in a position/role description
- in policies and procedures
- in company manuals or handbooks.

Regardless of where roles and responsibilities are documented, the critical factor is that they are clearly communicated, understood and include reference to the party's responsibility for the transport activities relevant to the role.

Whilst management may assign responsibilities to other workers they must maintain oversight of the business's risk profile, incidents and non-conformances that may lead to a public risk, and the outcomes of management system reviews.

When developing, implementing and reviewing your SMS, the following key areas may assist in guiding your approach:

Leadership and commitment	P	S	O	E
Safety responsibilities are clearly documented and allocated.				
People with responsibilities are competent and empowered to perform their tasks.				
Reprisal protections are effective, used in practice and periodically tested.				
Management oversight is evident and operational.				

1.2 Development and implementation

Develop and implement practical policies and guidance procedures tailored to the size, type, nature and complexity of your transport activities, to manage and reduce public safety risks. This includes heavy vehicle standards, mass, dimension and loading requirements, fatigue and fitness to drive requirements.

Your policies and procedures should reflect the potential hazards and risks associated with your activities as well as control measures, and how they are to be used to eliminate or reduce those risks as far as possible. They should include agreed arrangements with any third parties that you engage with and how they are to be communicated to and coordinated with those third parties, as well as reflecting your regulatory obligations.

If you are wishing to apply for Heavy Vehicle Accreditation, your SMS will need to meet the General Safety Accreditation SMS Standard as your baseline accreditation. If you are wishing to have mass, maintenance and or fatigue accreditation you will also need to meet the SMS requirements in the following:

- Schedule 1
  Alternative Compliance Accreditation – Fatigue
- Schedule 2
  Alternative Compliance Accreditation – Maintenance
- Schedule 3
  Alternative Compliance Accreditation – Mass

When developing, implementing and reviewing your SMS, the following key areas may assist in guiding your approach:

Development and implementation	P	S	O	E
The SMS documentation is practical, proportionate, and tailored to your transport activities.				
Public risks arising from operational changes are identified, documented and managed.				
Policies and procedures address all public risks associated with statutory obligations (HVNL, accreditation conditions).				
Alternative compliance procedures (if sought) are tailored to the operator's profile.				

1.3 Resource allocation

Allocating and sustaining resources to establish, implement, maintain, and continually improve your SMS is essential to the success of your SMS. Resources include:

- employees and personnel under your management or control with the capability (training, experience, competence) and capacity (adequate time, information, equipment and support) to safely perform their duties.
- financial resources to effectively manage identified safety hazards and risks, maintain equipment, and ensure ongoing training of workers
- technological resources such as GPS monitoring systems, fatigue and distraction detection technology.

The level of resource allocation should reflect the nature of your transport operations and identified hazards and risks and should be embedded into your business as part of your day to day operations and be adjusted accordingly to meet changes in your business as they occur.

When developing, implementing and reviewing your SMS, the following key areas may assist in guiding your approach:

Resource allocation	P	S	O	E
Resources are available and sufficient to support the SMS implementation and continuous improvement.				
Decisions regarding resources are documented and proportionate to operating risks.				
Technical, human and financial resources are integrated into SMS functions.				

1.4 Safety culture

Safety culture is a component of a business's overall culture. It can be described as the collective beliefs, perceptions, and values that a business and its workers share regarding safety. Safety culture is evident in patterns of behaviour and work practices within a business as well as in leadership, individual, and group attitudes towards safety.

Safety culture is not about compliance with legislation or policies and procedures. Instead, it is about the business, leadership, and worker commitment to positive safety practices and effective safety risk management.

A positive safety culture is where ownership for safety is evident and front of mind throughout all levels of the business, from the executive to administrative and office staff, to mechanics and workshop workers, to heavy vehicle drivers.

A positive safety culture underpins business values and beliefs, and impacts how health and safety systems are designed, as well as how policies and procedures are implemented into day-to-day work activities. It promotes individuals taking ownership of their own and others' safety.

A strong safety culture also means drivers and staff feel safe to speak up. They should be able to report hazards, incidents, or near misses without fear of blame. The way the business listens, responds, and fixes problems is a key sign of whether the culture is working and the business's approach to safety supports ongoing learning and improvement.

When developing, implementing and reviewing your SMS, the following key areas may assist in guiding your approach:

Safety culture	P	S	O	E
The operator demonstrates a safety culture in practise, not only on paper.				
Open communication about safety is encouragedand reprisal protections are functional and relied upon by staff and contractors.				
Leadership visibility prioritises safety in operational and strategic decisions.				
Leadership actions and communications are sufficient to demonstrate active and visible commitment by management, forming part of the evidence of due diligence.				

CASE STUDY

The Little Truck Company is a small transport company with eight rigid trucks and prime movers undertaking regional deliveries within NSW. The Little Truck Company has limited resources but must still meet the requirements of the Heavy Vehicle National Law and Chain of Responsibility.

STEP 1. Establish a clear leadership structure

The owner operator (Managing Director) takes direct accountability for safety and has appointed a trusted senior driver as the "Safety Representative", acting as a clear link between drivers and management.

Monthly safety check-ins replace formal committee meetings, keeping it simple but consistent.

STEP 2. Demonstrate commitment

The Managing Director issues a safety statement: "We are a small company, but safety is our biggest load."

Safety goals including zero fatigue breaches, 100% pre-trip inspections, zero speed or overloading infringements etc., are written into the company business plan.

This commitment is reinforced at weekly driver briefings and displayed in the depot office.

STEP 3. Provide necessary resources

The Managing Director has invested in basic telematics to monitor speeding and fatigue.

Drivers have all been provided with fatigue awareness training and pocket guides.

Simple but effect tools such as checklists for load restraint, pre-trip inspections and hazard and incident reporting forms have been developed and implemented for use.

STEP 4. Lead by example

The Managing Director always wears his PPE in the yard, follows work and rest break rules, and refuses unsafe jobs.

The Managing Director reviews driver work schedules and personally adjusts schedules to ensure drivers are not pressured into breaching fatigue laws.

Leadership shows consistency. Faulty vehicles are not used until repaired and deemed roadworthy by an appropriately qualified person.

STEP 5. Engage employees

Drivers are encouraged to raise safety concerns directly with the Managing Director or the Safety Representative.

A "Safety Whiteboard" in the depot is used to track hazards raised and actions taken so that drivers can see that their input is acted upon.

Toolbox talks include driver led discussions on recent near misses and practical fixes. The Managing Director maintains brief records of those in attendance, topics discussed and worker feedback in his diary.

OUTCOMES

- Zero fatigue breaches recorded in the last twelve months.
- Drivers report higher confidence that management "has their back" when refusing unsafe work.
- Improved customer trust: clients recognise The Little Truck Company's commitment to safety and reliability.

KEY LESSONS

- Even small operators can show visible leadership by being hands-on and consistent.
- Commitment does not require big budgets – it requires clear priorities, simple tools, and genuine engagement.
- Safety leadership in small companies is often personal and direct, which can be a business strength.

2. RISK MANAGEMENT

Safety risk management is a fundamental part of ensuring safety. Identifying and understanding hazards and risks is crucial to preventing harm by reducing the likelihood and severity of incidents.

Sound risk management practices provide the foundations for a good SMS and are one of the best ways to keep yourself, your employees and all other road users safe. Compiling and updating a risk register enables you to keep an up-to-date understanding of the risks in your business.

Your risk register will also help you work out whether you're doing enough to manage your risks or if you could do more.

There are many benefits to having a risk register, including:

- helping you meet your primary duty obligations, to minimise risks related to the safety of transport activities, by clearly defining the safeguards you have in place to prevent harm or loss
- strengthening your business by:
  - reducing delays and vehicle downtime
  - improving your reputation
  - lowering repair costs associated with safety incidents

More information about risk registers can be found here: SMS Quick Guide Risk Register (PDF)

The Master Code of Practice is another source of information that can assist you to develop your risk management processes. The Code highlights hazards, risks and potential controls across the various sectors of the heavy vehicle transport industry.

The risk management process involves the following steps:

2.1 Hazard identification

A hazard can be defined as any thing or situation that has the potential to cause harm or loss to a person, infrastructure or the environment. As a party in transport operations, you must develop and implement proactive processes for identifying hazards across your transport activities and business practices and integrate these processes into you daily operations. You should consider all types of hazards such as operational, technical, environmental, human factors and organisational hazards.

Hazard identification may be either planned or unplanned and may include workplace inspections, audits, checklists such as daily pre-start inspection checklists, incident investigations, work or project planning, communication and consultation activities such as toolbox talks. Hazards may also be identified through informal observations, hazard reports, or complaints or feedback from members of the public, your workers or other parties in the CoR with whom you engage.

When developing your hazard identification processes you should consider routine and non-routine activities and situations such as:

- human factors relevant to capabilities and limitations of workers
- equipment and systems being utilised within the business
- new or changed hazards due to changes in your transport activities
- work processes or newly introduced equipment
- people who undertake the work or are in the vicinity of the work
- people who are undertaking activities at locations that are not under your direct control (e.g. heavy vehicle drivers undertaking remote journeys, bus drivers travelling set routes)
- potential emergency situations
- changes in knowledge or information about hazards.

Hazard identification should not be a one off activity, but an ongoing, proactive measure used to identify sources of potential harm that may result from your daily transport activities. When developing, implementing and reviewing your SMS, the following key areas may assist in guiding your approach:

Hazard identification	P	S	O	E
Hazard identification processes are systematic, proactive, and applied across all transport activities				
Staff are encouraged to report hazards and are protected against reprisal when doing so.				
Identified hazards are recorded in a register or equivalent tool and are reviewed periodically.				

2.2 Risk assessment

This part of the system is about working out which hazards create the biggest risks and deciding which ones need attention first.

Once you have a documented and functioning risk register in place, you can take the next step in improving the control and management of risks in your business. Whilst a risk register summarises all your risks and controls in the one document, more detailed assessments of each risk will help enable more effective management.

Undertaking a risk assessment of each identified hazard involves considering and understanding what could happen if a person is exposed to a hazard, the likelihood of an incident occurring, the level of harm or loss that could result from an incident, and how different hazards can interact with each other to increase the risk. They also assist you in determining whether existing control measures are effective, what actions you can take to control the risk and how urgently the action needs to be taken.

A risk assessment can be undertaken with varying degrees of detail depending on the type of hazard and the information and resources you have available.

It is important to include those involved in or affected by the transport activity which presents the hazard or risk including supervisors, managers, workers and other interested parties in the CoR. It may be necessary to seek expert or specialist advice if the activity is complex or presents significant risks.

Any risk assessments you undertake should reflect your operating environment and how your transport activities actually occur. You should consider:

- the type of work being done
- the conditions at the time
- who else is involved
- the physical environment

You may also consider any risk control measures that you already have in place to help you understand your level of exposure and whether any hazards or risks interact with each other in a way that increases public risks.

An easy to use risk assessment template can be found here: SMS Template On Site Risk Assessment (.docx)

When developing, implementing or reviewing your SMS, consider the following key areas:

Risk assessment	P	S	O	E
Risk assessments are consistent, documented, and proportionate to the size, type and nature of your transport activities.				
HVNL related risks are specifically addressed.				
Risk assessments are undertaken when new hazards or transport activities arise, when uncertainty exists about hazard impacts or controls, when existing controls are not well known or when changes occur that may affect control effectiveness.				
Risk assessments reflect the potential harm to public safety (drivers, passengers, other road users, pedestrians), damage to freight, property, road infrastructure and the environment.				
Risk assessments consider the severity (number of people exposed, seriousness of injury, cost/ disruption, escalation potential) and factors affecting the likelihood (frequency of tasks, frequency of exposure, previous incidents).				
Risk assessments record the severity of and likelihood of identified risks, using a documented scale (e.g. Certain, very likely, possible, unlikely, rare). Assessments must take into account controls already in place to determine the residual level of risk.				
Risk assessments support the prioritisation of controls and inform decision making.				

2.3 Risk controls

Under the HVNL primary duty, you have an obligation to eliminate public risks, or if they cannot be eliminated, minimise them so far as is reasonably practicable.

If it is not possible to eliminate the safety risks associated with your transport activities, you should consider what control measures you can implement to reduce the risks as far as possible. In some instances, a single control may be sufficient, however in other instances a combination of controls that together provide the highest level of protection may be needed.

Some risks can be eliminated or minimised easily and should be addressed straight away, while other risks may require more effort and planning to control. Hazards that require greater effort to control should be prioritised, with attention first directed to those presenting the highest level of risk. This approach ensures resources are applied where they will have the greatest impact, enhancing both safety and operational efficiency by reducing the likelihood of serious incidents.

By applying the Hierarchy of Controls, which is a structured framework used to eliminate or minimise risks, you can systematically address risk and choose the most effective control available to you. Safety risks can be eliminated or minimised by implementing control measures from the hierarchy such as:

- Eliminating the hazard or risk completely. For example, you may choose not to undertake the particular transport activity at all.
- Substituting the high-risk activity with a lower risk alternative. For example, scheduling work during daytime hours rather than at night to minimise the risks associated with fatigue.
- Isolating the high-risk activity so that no persons are exposed to the risk. For example, establishing exclusion zones in loading and unloading areas to minimise interactions between individuals and the risk.
- Engineering and equipment controls that reduce the likelihood of a risk occurring or the severity of harm that could occur. For example, provide lifting aids when manual tasks such as loading or unloading are being performed.
- Using administrative interventions, consultation and information sharing such as providing training about hazards and risks so that workers are aware of the safety risks and controls and working with business partners to improve safety management through collaboration and information sharing.
- Using personal protective equipment such as high-visibility clothing, gloves, or safety shoes.

When determining controls, you should refer to any available information about the risks and the information recorded in your risk assessment and make sure that the chosen control measure does not introduce any new hazards or risks.

Risk controls should be chosen because they work effectively in your operating environment and genuinely reduce risk in the way your transport activities are carried out.

If controls you choose do not reduce the risk enough, look for other or additional controls that will.

Information about suitable controls for many transport activity risks can be found here.
Industry Codes of Practics - Master Code 2026
CoR - Regulatory Advice

When developing, implementing and reviewing your SMS, the following key areas may assist in guiding your approach:

Hazard controls	P	S	O	E
Controls reflect the likelihood, harm, knowledge, availability, suitability and cost and consider safety over cost. (Section 5 HVNL)				
Controls are implemented and maintained.				
Controls are reviewed and revised when they are determined to be ineffective or outdated.				

2.4 Incident management

Despite all efforts towards preventing them, incidents, near misses and non-conformances may still occur in all businesses. If an incident, near miss or non-conformance does occur, it provides an opportunity to learn and improve on your SMS. When an incident or near miss occurs, it is essential that it is reported, and the appropriate information is gathered and documented. This allows the event to be investigated and analysed to assess how risks are actually playing out in day-to-day operations and what action needs to be taken to improve future safety outcomes.

Incident reports and non-conformance reports are an ideal tool to gather information. It is good practice for the person involved in the incident to complete the report. If this is not possible, then it should be completed by a supervisor or manager of the person involved or work area for that activity.

It is also good practice to develop and implement an incident reporting and investigation procedure that is supported by incident reporting tools such as an incident reporting form.

The procedure should include:

- The types of incidents, near misses and non-conformances that must be reported
- Who needs to report the incident, to whom and in what timeframe
- Processes for managing significant incidents such as attending to injuries and ensuring the safety of others in the vicinity, notifying emergency services and applicable regulators, and the preservation of the incident site when appropriate.

Gathering and collating information from incident reports will assist you to manage the safety risks of your transport activities, measure safety performance and identify any trends in relation to hazards and risks that may require attention. You should consider what happened, how it happened, and why it happened. The goal is to identify contributing factors and any underlying or systemic issues. These may relate to human factors, work practices, equipment, procedures or interactions with other parties.

The way you manage incidents and non-conformances should reflect the size and nature of your transport activities, the level of public risk involved, and support effective learning and continuous improvement.

The outcomes and any lessons learnt from incident investigations should be communicated with your workers and any relevant third parties.

Further information about incident reporting can be found here:
SMS Quick Guide Incident Reporting (PDF)
SMS Template Incident Report Form (.docx)

When developing, implementing and reviewing your SMS, the following key areas may assist in guiding your approach:

Incident management	P	S	O	E
Incidents and near misses are reported, recorded, and investigated.				
Corrective actions are implemented, monitored, and closed.				
Lessons learned are communicated to staff and CoR parties and integrated into the SMS.				

2.5 Ongoing risk management

Like other important processes within your business, periodic reviews of your SMS and risk management processes are integral to managing your business and transport activities. Whenever there is a change in your business, such as new routes, different cargo, or new equipment, you should ensure that your drivers are trained, vehicles are compliant, and procedures reflect the new risks. You should ensure that risk registers, risk assessments and control measures are reviewed to ensure that they remain effective or if new and additional controls are required.

Analysing the data and information you have collected from vehicle inspections, fault reports, hazard reports, incident and near miss investigations, feedback from third parties, or breach notifications will help you to stay informed of the effectiveness of your SMS and assist in identifying areas that may need further attention.

Any changes to your transport activities, operating conditions, environments or interfaces, as well as any new information or regulatory requirements should be considered to ensure you are managing your risks as far as reasonably practicable, and that you make any necessary adjustments to eliminate or minimise public risks.

You can use all this information to update your risk register, risk assessments and safety risk policies and procedures, ensuring that records are maintained.

Significant changes to hazards and risks and the effectiveness of controls should be documented and reported to senior management for review and action as soon as possible.

When developing, implementing and reviewing your SMS, the following key areas may assist in guiding your approach:

Ongoing risk management	P	S	O	E
Risk controls remain effective over time.				
Risk management is continuous, adaptive, and integrated into decision making.				
Systemic risks are identified and addressed at management level.				

CASE STUDY

The Little Truck Company recognized that effective risk management was essential to eliminate, or where it was not possible to eliminate, minimise the risks associated with its transport activities and to comply with the HVNL and primary duty. Risk management processes were integrated into its SMS to ensure that safety was not just reactive but proactive. To do this The Little Truck Company implemented the following steps:

STEP 1. Hazard identification

Through driver feedback during toolbox talks, undertaking yard and depot inspections, reviewing near miss reports, and customer site audits, The Little Truck Company identified potential hazards such as fatigue from long shifts, load restraint failures during regional runs, yard traffic congestion and reversing incidents, vehicle maintenance gaps due to limited resources.

Each of these hazards were listed on The Little Truck Company's risk register.

STEP 2. Risk Assessment

Each hazard was assessed for the likelihood of an incident occurring and the potential impact using a simple risk matrix. For example:

Fatigue breaches → High likelihood, severe impact

Minor yard congestion → Medium likelihood, moderate impact

The risks were prioritised with fatigue and load restraint placed at the top of the risk register.

STEP 3. Risk Controls

The hierarchy of controls was applied to each risk:

Elimination: Removed unsafe loading practices by redesigning the loading bays

Engineering controls: Installed reversing cameras and speed limiters on all trucks

Administrative controls: Introduced staggered delivery schedules and mandatory rest breaks

PPE: reinforced use of hi-vis vests and gloves in yards

In addition, all drivers completed fatigue management and load restraint training.

STEP 4. Incident management

The Little Truck Company introduced a simple reporting process. All drivers could log incidents through completing an incident report form or logging through a mobile app.

Each incident was investigated by the Safety Representative and reviewed monthly by the Managing Director. Serious incidents were immediately notified to the Managing Director who took charge of notifying any regulatory bodies as required.

Additional risk controls were put in place where necessary.

Example: A near miss involving a reversing truck led to immediate installation of yard mirrors and stricter traffic flow rules which were communicated to all workers.

STEP 5. Ongoing risk management

Continuous review: The Little Truck Company provides safety data to the Managing Director for review and any necessary action on a monthly basis.

The Risk Register is reviewed and updated quarterly to ensure the best possible risk controls are in place, working as intended and have not introduced any new risks.

The Managing Director and Safety Representative conduct a review of all safety risk management practices every six months to check compliance with fatigue, load restraint, and vehicle maintenance practices.

The outcomes of these activities are reported to workers through a toolbox talk, and milestones are recognised and rewarded through company BBQs to reinforce a positive safety culture.

OUTCOMES

- Zero fatigue breaches in the last twelve months.
- Improved compliance with the HVNL and CoR
- Drivers reported higher confidence in management's commitment to safety.
- Customers recognised The Little Truck Company's reliability and safety first approach.

KEY LESSONS

- Risk management is most effective when it is simple, practical, and visible.
- Even small operators can embed SMS principles by focusing on hazard identification, prioritisation, and continuous improvement.
- A clear feedback loop builds trust and strengthens safety culture.

3. PEOPLE

As an operator of a transport business, you have an obligation to ensure that workers under your control or influence are fit to perform the duties associated with your transport activities. This extends beyond ensuring that they are physically and mentally fit to work; to include ensuring that they hold the necessary licenses to undertake their specific tasks, ensuring that they are appropriately trained and that there are effective mechanisms in place for communication and consultation.

Note: Being fit to work is essential for all workers not just those operating machinery or heavy vehicles. This is because there are many roles within a business that may impact safety. For example, if a manager or scheduler is fatigued, or affected by alcohol or other drugs, they may make poor decisions, such as allocating a worker to a vehicle combination that they are not experienced in operating, introducing safety risks and increasing the potential for injury or harm.

3.1 Fitness to drive

Fitness to drive means a worker is physically, mentally and emotionally able to carry out their work in a manner that does not endanger the health and safety of themselves or others. Being fit to drive is much more than not being impaired by fatigue or by alcohol or other drugs. When considering if someone is fit to drive you need to consider their behaviour, knowledge, experience, training, safety awareness, and their mental and physical wellbeing.

Unfit drivers present a significant safety risk to themselves, other workers, and the public, and can impact the safety of a business's transport activities. It is essential that every individual is fit to safely carry out their duties when they sign on to work and remains fit throughout the duration of their shift.

For further information on fitness to drive refer to the NHVR Regulatory Advice.

Your policies and procedures must ensure that drivers are supported to disclose conditions or circumstances that may result in them being unfit to drive without fear of reprisal and that there are appropriate processes in place to ensure drivers are provided with information regarding fitness to drive, as well as the business's expectations. Your processes should include reporting pathways and how your business will manage any identified incident. You should also ensure that fitness to drive and health related information is managed in a way that supports confidentiality. This means that information is only shared with, or can be accessed by, those who have a genuine need to know to support safety operations and safety related decision making.

You must have mechanisms in place to confirm that drivers and other staff who make safety related decisions hold the appropriate licence and/or qualifications to safely perform their duties.

When developing, implementing and reviewing your SMS, the following key areas may assist in guiding your approach:

Fitness to drive	P	S	O	E
Medical and fitness requirements are implemented and maintained.				
Impairment risks (fatigue, substance, health-related) are actively monitored and controlled.				
Drivers and staff are removed from duty where unfit, and systems prevent reprisal for self-reporting.				

3.2 Training and competency

Undertrained workers pose a serious safety risk to themselves, their colleagues and the general public. They can also present a danger to infrastructure and the environment.

Heavy vehicle crashes and other safety incidents due to inadequate training can also result in significant reputational and financial damage to your business.

Having a heavy vehicle driver's licence is not always proof of a driver's ability to safely operate a heavy vehicle. Even if highly skilled and experienced, the driver may need additional training to ensure they can safely and efficiently operate within a particular industry sector and/or a new work environment.

Providing appropriate training is not simply a matter of allocating and spending a training budget. Training must be relevant to your transport activities and aimed at improving the skills and safety of your workers and other parties. To understand the skills, experience and competencies required for each person in your business, you should conduct a *training needs analysis*.

Note: In this context, a 'training needs analysis' is a review of learning and development needs within an organisation. It considers the knowledge, skill and behaviours that people need and how to develop them effectively.

After completing the training needs analysis, a training plan should be developed, implemented and communicated with workers, taking into consideration:

- the specific knowledge and skills needed to undertake the role safely and efficiently
- if a qualification is required to perform the role
- a level of assurance that workers have been adequately trained
- the new knowledge and skills required if a worker is promoted or moved to a new role within the business.

Training should include Induction training specific to each work location, activities, procedures and safety risks relevant to the role, task-specific training that covers the specific skills and knowledge needed for a worker to perform tasks competently and safely at all workplace locations, other training identified through risk assessments and the investigation of incidents and near misses.

Workers should also be provided with sufficient training that allows them to understand how their role fits with the business's safety systems and what they are required to do to support the effective management of safety risks.

Further information about training can be found here: Regulatory Advice - Managing the Risk of Undertrained workers.

When developing, implementing and reviewing your SMS, the following key areas may assist in guiding your approach:

Training and competency	P	S	O	E
Staff in safety critical roles are trained to the appropriate level.				
Competency is demonstrated by current records.				
Refresher and corrective training occur as required.				

3.3 Communication

Communication is a key component to promoting and achieving a positive safety culture. For communication to be effective there must be a business wide commitment to encouraging workers at all levels to speak freely and share information without fear of repercussion. Communication should be more than formal policies and procedures and other written communication. It should include toolbox talks and ad hoc discussions where workers are encouraged to share their thoughts and ideas and be accessible to workers and others impacted by your operations.

Ensure that workers at all levels, contractors, customers, and clients are included in the communication where applicable.

Note: It is important to consider the diversity of the group you are communicating with. Consider what forms of communication are more effective for people of different genders, cultural backgrounds, religions, languages, people living with disabilities and literacy levels.

Safety communication should:

- ensure all employees are made aware of the business's SMS
- convey safety critical information
- explain why particular actions are taken
- explain why safety processes and procedures are introduced or changed
- provide an opportunity for those involved in your transport activities to share their knowledge and experience and contribute to managing safety risks
- include mechanisms to provide feedback to those that raise concerns or ask questions.

Safety communication can:

- promote safety messages and information
- promote your SMS and various roles and responsibilities
- be formal or informal

When developing, implementing and reviewing your SMS, the following key areas may assist in guiding your approach:

Communication and consultation	P	S	O	E
Safety critical information is communicated clearly, promptly, and effectively.				
Staff and contractors are consulted and can provide feedback.				
Safety communication supports proactive identification and control of risks.				

CASE STUDY

The Little Truck Company prides itself on safety and reliability but also recognised the need to strengthen its Safety Management System to protect both employees and the public and to meet its obligations under the *Heavy Vehicle National Law*.

STEP 1. Fitness to drive

The Little Truck Company developed a Fitness to Drive policy requiring drivers to self-assess at the commencement of each shift covering fatigue, medication, alcohol, and physical and mental health. A simple checklist was developed and communicated to all workers. Workers were also encouraged to report if they no longer felt fit to work during the course of their shift.

Annual medical assessments were incorporated into standard practice to ensure drivers met licensing and health standards. Records of the medical assessments were provided to the Managing Director and maintained in each worker's personal file.

Electronic work diaries were introduced to monitor driving hours and rest breaks, with alerts for the Safety Representative and Managing Director if limits were approached.

The Managing Director encouraged all workers to take their personal wellbeing seriously and provided wellness information through toolbox talks.

STEP 2. Training and competency

Having appropriately trained and competent workers is very important to the Managing Director of The Little Truck Company. For every new employee the Managing Director provides a Company induction that covers the Company's policies, safety targets, hazard reporting process, emergency processes and a site walk around. The Managing Director makes a note of who is inducted and on what date in his diary.

At the commencement of each year a toolbox talk is held that again covers the information provided in the standard induction. Again, the Managing Director keeps a record of those in attendance, and any feedback in his diary.

In addition to an initial induction the Managing Director or Safety Representative undertakes a competency assessment for each worker which ensures that each worker has the necessary skills and competency to perform their duties. Records of each worker's licences and training is kept on personnel files. Any shortcomings in competency are noted, and the worker is provided with the required training, which may be formally recognised training or on-the-job training, to ensure they can safely perform their role.

The Managing Director and Safety Representative maintain a simple table listing all workers, their roles and functions and required skills, dates of training and refresher training.

Workers are enrolled into accredited courses such as Chain of Responsibility Awareness, fatigue management etc., with records of attendance and certificates of competency maintained. The Little Truck Company covers the cost of all work related training.

STEP 3. Communication

The Little Truck Company has an "open-door policy" and both the Managing Director, and the Safety Representative encourage all workers to raise safety and or operational concerns directly without fear of reprisal, reinforcing a culture of transparency.

A simple mobile app introduced to report hazards, incidents, near misses, or mechanical issues was implemented. All reports are reviewed by the Managing Director and Safety Representative with feedback provided to anyone who has lodged a report.

Whilst monthly toolbox talks are scheduled, impromptu briefings are used when there is any change in operations or important information to be communicated to workers. Records of these briefings are also noted in the Managing Director's diary. The toolbox talks and briefings are used to provide updates on newly identified hazards and risks, lessons learnt from incident investigations, regulatory updates, and recognition of safe operating behaviours. All workers are encouraged to discuss any safety concerns and share experiences.

When Risk assessments are undertaken, all workers affected or involved in carrying out the task are encouraged to participate and provide input.

OUTCOMES

- Within 12 months the Company saw a 40% reduction in minor vehicle incidents and near misses.
- Drivers reported feeling more valued and supported, leading to higher retention rates.
- The SMS was audited and found to meet minimum requirements for fatigue management, competency and consultation.
- Safety culture became a shared responsibility, with drivers actively contributing to improvements rather than passively following rules.

KEY LESSONS

By embedding fitness to drive, training and competency, communication and consultation into everyday business, The Little Truck Company transformed safety from a compliance obligation into a living culture. The holistic approach not only reduced risks but also empowered workers to take ownership of safety every day.

4. ASSURANCE, MONITORING AND IMPROVEMENT

Safety assurance, monitoring and improvement are essential components of a robust SMS. They ensure that safety objectives are met through proactive measures and continuous improvement.

It involves systematic and ongoing monitoring, recording and evaluation of your business's safety performance and safety management processes to ensure that your SMS is operating effectively and as intended, and whether safety performance is improving over time.

It includes:

- monitoring compliance and performance through checking that your business follows your documented policies and processes effectively and ensuring they are implemented practically across the business
- managing changes within your business and activities that may have introduced new hazards or risks, or may have affected existing safety risk controls
- using feedback from monitoring and evaluating activities and processes to continuously improve safety mechanisms to ensure your SMS evolves and adapts to changes in the operational environment.

4.1 Performance targets and indicators

Setting performance indicators and targets will assist you in measuring the effectiveness of your implemented safety controls. For example, you may set targets for the number of incidents and near misses, the number of workers who have attended training, the number of recorded fatigue or speed breaches or the frequency of internal and external audits.

A common approach to developing safety objectives within an organisation is to utilise the SMART principle. This helps ensure your objectives are:

- **S – Specific:** the more specific the objective, the more chance of achieving it
- **M – Measurable:** identify the data used to measure performance
- **A – Attainable:** set realistic objectives
- **R – Relevant:** focus on improving safety in the business and transport activities
- **T – Timely:** commit to a timeframe to meet the objective

Monitoring and reporting on safety performance has benefits that include:

- demonstrating that your business takes safety seriously
- demonstrating to employees and external stakeholders that you are providing a safe working environment
- providing managers with safety intelligence so they can make informed decisions about continuously improving the safety of your transport activities.

Consider using information from your safety assurance activities (such as investigating incidents or auditing the effectiveness of documented risk controls) to monitor and measure the achievements against safety objectives. For example, the risk register, incident reports and safety investigations may contain valuable safety information and trends when gathered over a longer term. This information may help you in determining whether safety objectives have been met.

Figure 2: SMART principle

When developing, implementing and reviewing your SMS, the following key areas may assist in guiding your approach:

Performance targets and indicators	P	S	O	E
Performance indicators are clearly defined and linked to key safety risks.				
Indicators include both leading and lagging measures that provide meaningful insight.				
Indicators are proportionate to the size, nature and complexity of operations.				
Performance information is timely and supports monitoring of control effectiveness.				
Data from indicators is reviewed regularly and informs decision making.				
Results drive corrective actions and contribute to continuous improvement of the SMS.				

4. Monitoring and review

Your SMS should include processes for senior management to monitor and review the SMS at planned intervals to ensure its continued suitability, adequacy, and effectiveness in managing the risks associated with your transport activities.

The monitoring and review process includes gathering information from sources such as incident reports, safety meetings, toolbox talks, operational data, and third-party feedback and analysing the information to identify trends and areas that may need attention.

The reviews should include:

- The status of any actions identified from previous reviews.
- Changes in internal and external issues relevant to the SMS such as the needs and expectations of workers and other parties in the CoR, legal or other requirements, risks, and opportunities.
- The extent to which your safety policy and objectives have been met.
- Information on safety performance including trends such as incidents, breaches, corrective actions and continual improvement, results of evaluation of compliance to legal requirements such as work and rest requirements etc., internal and external audit findings, consultation and participation of workers.
- Adequacy of resources for maintaining safe and sustainable operations.
- Relevant communications from other parties.
- Opportunities for improvement.

Reviews of your SMS, risks and controls should be undertaken at defined intervals, when changes to your transport activities or operating environment occur, when new equipment is introduced and following reported incidents, near misses or significant breaches of the HVNL, or when new information relevant to your activities is identified.

The results of your monitoring and reviewing activities should be used to inform decision making around the suitability and effectiveness of your SMS in managing your identified hazards and risks, continual improvement opportunities, corrective actions, and resource allocation.

When developing, implementing and reviewing your SMS, the following key areas may assist in guiding your approach:

Monitor and review	P	S	O	E
The operator conducts regular structured monitoring of the SMS performance.				
Monitoring identifies whether safety measures and controls are effective in practice.				
Review findings are acted upon, with corrective actions documented and closed out.				
Oversight by management or governance bodies is evident, showing accountability for system effectiveness.				
The operator monitors contractor performance against agreed safety requirements and reviews contractor compliance on a regular basis. Where performance is unsatisfactory, evidence of corrective action or termination must be available.				

4.3 Continuous improvement

Once your SMS has been fully developed and is maturing in its implementation and performance, it will require ongoing or more targeted processes to provide continuous improvement and effective safety change management.

Continuous improvement at this level involves planning and undertaking more holistic audits or assessments of your SMS and its effectiveness. This is more than just determining if staff are following key safety risk controls such as a safety procedure but looks more widely at critical parts of the SMS to determine if they are indeed working as designed. Required improvements and corrective actions can then be agreed, recorded, and implemented.

Continuous improvement of your SMS may be achieved by:

- periodically reviewing and re-assessing your risk management processes
- implementing corrective actions from incident investigations
- implementing recommendations and corrective actions from audit reports
- sharing information with other similar businesses and parties in the CoR
- receiving newsletters and information from transport and safety regulators.

When improvements or corrective actions are implemented, the effectiveness of such actions should be monitored to ensure that the changes are appropriate to manage identified risks, improve safety outcomes and have not introduced any new risks.

When developing, implementing and reviewing your SMS, the following key areas may assist in guiding your approach:

Continuous improvement	P	S	O	E
The operator has a working system for identifying and acting on opportunities for improvement.				
Improvements are documented, resourced, and implemented.				
The SMS is subject to continuous refinement.				

4.4 Evidence

Gathering and analysing evidence is crucial in providing confidence that your SMS is functioning as intended, meets regulatory requirements and drives safer operational outcomes and decision making. Evidence provides objective proof that your safety risks are being effectively managed and can demonstrate regulatory compliance with the HVNL, assures that hazards are identified and controlled, builds stakeholder confidence through transparency and accountability, and may offer a defense by demonstrating due diligence if an incident occurs.

Your evidence should show what you plan to do, how you are doing it, and whether it is working. Your policies and plans demonstrate your intent, and your procedures set out how work is to be carried out. The records and logs you maintain show that these processes have been implemented, while the trends or improvements demonstrated through meeting performance targets and indicators, and making adjustments where required, show how effective your management system and practices are.

Examples of objective evidence that you can use to assist in assessing the effectiveness of your SMS may include:

- Policy and procedural documents: Safety policies, manuals, operating procedures, fatigue management plans, loading plans.
- Risk management records: Hazard identification records, risk assessments, and control measures.
- Monitoring and performance data: Audit reports, inspections, incident/near miss reports, incident investigation reports and trends, fatigue breaches, load restraint failures, vehicle faults and defect reports
- Training and competency records: Evidence that workers are trained and competent in safety critical tasks, CoR training records, fatigue management training records.
- Verification and validation results: Weigh bridge records, calibration records for monitoring devices
- Continuous improvement records: Corrective action registers, management review reports and lessons learnt.

When developing, implementing and reviewing your SMS, the following key areas may assist in guiding your approach:

Evidence	P	S	O	E
Records demonstrating effective operation of the SMS are kept in line with statutory requirements.				
Records / documentation are accessible to staff as appropriate.				

CASE STUDY

The Little Truck Company wanted to strengthen its Safety Management System to build a stronger safety culture and meet its requirements under the Heavy Vehicle National Law and Chain of Responsibility. The Company had basic safety procedures in place but lacked clear performance targets to measure progress, a structured way to monitor and review safety outcomes, a process for continuous improvement or documented evidence to demonstrate progress and compliance.

The Managing Director and the Safety Representative set clear performance targets to reduce the number of near misses by 20% in twelve months. To measure progress, drivers were required to complete simple incident report forms or lodge a report through a mobile app to create reliable indicators of safety performance.

To make sure the reports did not just sit in a folder the Safety Representative reviewed them each day and escalated any incidents that required immediate action to the Managing Director. Results of reviews were regularly discussed at toolbox talks. On a quarterly basis, the Safety Representative and the Managing Director reviewed the collected data to see whether the company was on track to meet its targets.

The process highlighted a recurring issue with load restraint. The Little Truck Company invested in new restraint equipment and scheduled a training session for all drivers. The changes were practical, affordable, and directly addressed the risks identified, which demonstrated continuous improvement.

Finally, The Little Truck Company ensured everything was documented. Incident reports were stored in a central folder, toolbox records were maintained, training attendance sheets were kept and the training matrix updated. This meant that when auditors or customers asked about safety, the company could confidently show proof of its commitment.

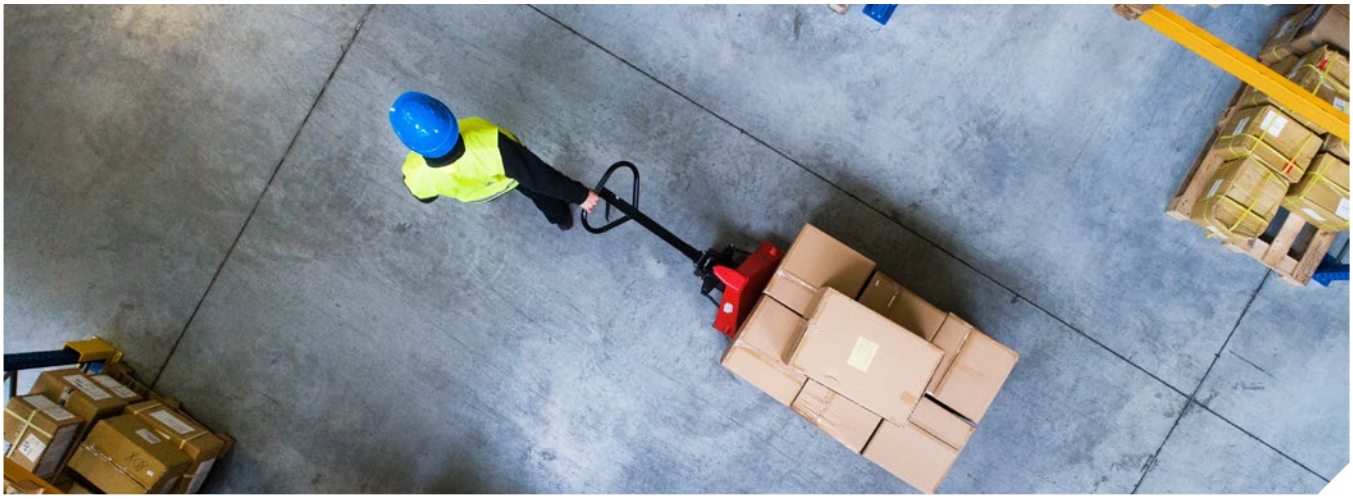
Through these small steps, The Little Truck Company turned assurance, monitoring and improvement into everyday practice that strengthened safety and built trust across the business.

OUTCOMES

- Near-miss incidents were reduced by 25% within the year.
- Drivers reported feeling more confident about safety expectations.
- Auditors commended the company for clear evidence of monitoring and improvement.
- Customers gained trust knowing the company prioritised safety.

KEY LESSONS

- Even small operators can set meaningful performance targets.
- Regular monitoring does not need to be complex.
- Continuous improvement comes from listening to drivers and acting on feedback.
- Evidence proves commitment and compliance with safety management.



5. SAFETY SYSTEMS

Safety systems are the structured processes and tools that integrate safety into your day-to-day transport operations. They ensure coordination across all levels of your business by defining responsibilities, implementing safe work practices, and embedding risk controls into operational activities. Effective safety systems link policies, procedures, monitoring mechanisms, behaviour and decision making so that safety is not treated as a separate function but as part of your core business operations.

The purpose is to reduce hazards and risks as far as is reasonably practicable, and to promote a proactive safety culture and maintain compliance.

5.1 System operation

An SMS brings your safety processes together, so they work consistently in practice, supported by clear information flows that help you act on risks in a timely way. It also helps you manage how you work with other parties by ensuring shared risks are identified and controlled.

By shaping how work is planned, organised and resourced, the SMS becomes a practical tool that can be scaled to suit the size and complexity of your operations. Ultimately, an SMS should function as a coordinated, organisation wide system that helps keep people, vehicles, property and the public safe.

When developing, implementing and reviewing your SMS, the following key areas may assist in guiding your approach:

System operation	P	S	O	E
Safety considerations are consistently incorporated into planning, decision making, and task execution.				
SMS requirements operate as a single, connected system rather than isolated processes.				
Safety information flows to the right people in time to influence operational decisions.				
Work is organised in ways that reflect identified risks and agreed safety controls.				
SMS processes used in practice match the documented system, without parallel or duplicate work arounds.				

5.2 System coordination

System coordination is the way that your SMS processes, responsibilities, and tools are aligned and work together across your business. It ensures that safety is managed and coordinated across different functions and parties involved in your transport activities so that everyone understands their role and actions are consistent with what is defined in your SMS. This coordination creates a unified approach where safety measures are embedded into operational workflows and are supported by leadership, resources, and monitoring systems.

In practice system coordination includes:

- Clear roles and responsibilities: Everyone knows who is accountable for safety tasks and decisions.
- Linked processes: Policies, procedures, and risk controls are connected, so they support each other rather than operate in silos.
- Information flow: safety information such as data, incident reports, risk assessments etc., is shared across the business and with other parties in the CoR to inform decisions and continuous improvement.
- Management oversight: management, committees or reporting structures monitor how safety processes interact and ensure compliance.

When developing, implementing and reviewing your SMS, the following key areas may assist in guiding your approach:

System coordination	P	S	O	E
Responsibilities and accountabilities are documented and coordinated across the organisation.				
Safety activities are effectively aligned between functions and with external parties.				
Coordination processes are current and operating as intended.				

5.3 Integration with operation

Integrating your safety management policies, processes, and controls into the day-to-day activities of your transport business ensures that safety is part of normal workflows and decision making.
Examples of integration include:

- Scheduling: Incorporating fatigue management rules into driver rosters and using GPS or telematics to monitor compliance.
- Loading and unloading: Applying documented load restraint procedures and establishing exclusion zones to prevent injuries during loading activities.
- Maintenance: Using pre-start checklists and defect reporting systems to ensure vehicles remain safe for use on the road.
- Incident management: Implementing a clear process for reporting and investigating near misses and incidents, with corrective actions tracked to closure.
- Performance monitoring: Using dashboards or audit reports to track safety indicators such as training and completion rates, incident trends, and compliance with HVNL requirements.

These systems ensure safety responsibilities are clearly defined, risk controls are embedded in operational workflows, and evidence of compliance is maintained for audits and continuous improvement.

When developing, implementing and reviewing your SMS, the following key areas may assist in guiding your approach:

Integration with operation	P	S	O	E
SMS requirements are embedded and applied in daily operations.				
Frontline staff and contractors consistently follow SMS procedures.				
Operational deviations are corrected and used to strengthen SMS effectiveness.				

CASE STUDY

Despite The Little Truck Company having a formal SMS, several issues limited its effectiveness. Safety processes were documented but not consistently linked to daily operations, drivers perceived the SMS as “management paperwork” rather than part of their job and communication between drivers, mechanics, and the managing Director was ad hoc, which led to gaps in coordination.

The Managing Director recognised that unless safety was integrated into everyday tasks, it would remain a compliance exercise rather than a living safety risk management system.

The Little Truck Company took deliberate steps to embed safety system coordination and integration through linking the SMS with operational workflows. For example, pre-trip inspections became part of the daily run sheet and maintenance schedules were aligned with SMS risk assessments and fault reports, ensuring vehicles were serviced before risks escalated.

In addition, toolbox talks combined operational updates and SMS reviews, so safety and operations were discussed and drivers, mechanics and management shared responsibility for hazard reporting and improvement suggestions, creating a coordinated feedback loop.

To integrate individual responsibilities, Chain of Responsibility roles were mapped into everyday tasks so that drivers understood their duty to report fatigue risks, whilst schedulers adjusted workflows accordingly.

SMS documentation was simplified and tied to operational records, so evidence was naturally generated during normal work. A shared digital folder was created on the office computer to store inspection checklists, maintenance records, and incident reports.

This gave both the Managing Director and Safety Representative, as well as other workers, access to the same information improving transparency and coordination.

OUTCOMES

- Safety became part of “how we do business” rather than a separate system.
- Drivers reported stronger ownership of safety because it was embedded into their daily routines.
- Communication improved, reducing duplication and missed information between operations and safety.
- Auditors noted that SMS evidence was clearly linked to operational records, demonstrating genuine integration.

KEY LESSONS

- An SMS works best when it is embedded into everyday operational tasks.
- Coordination across roles ensures safety is not siloed and is shared by drivers, mechanics, and management.
- Linking safety records with operational evidence reduces paperwork and strengthens compliance.
- Integration builds a culture where safety and operations are inseparable.
- By coordinating systems and integrating safety into everyday operations, The Little Truck Company transformed its SMS from a compliance tool into a practical, everyday framework that drives both safety and efficiency.

GLOSSARY

Term	Definition
ACA	Alternative Compliance Accreditation - accreditation granted under section 458 of the Act in relation to a prescribed operations requirement.
Accreditation	Accreditation means heavy vehicle accreditation granted by the NHVR under section 458 of the HVNL.
Alternative Compliance Accreditation requirements	Requirements for Alternative Compliance Accreditation set out in the SMS Standard, the Ministerial Guidelines for Heavy Vehicle Accreditation, and documents developed by the NHVR under section 2.3 as in force from time to time.
Approved auditor	A person registered with the NHVR to conduct HVA audits.
Assessing fitness to drive	Assessing fitness to drive for commercial and private vehicle drivers' medical standards for licensing and clinical management guidelines.
Assurance	Information or processes for confirming that systems are working as intended.
Audit	A systematic, planned, and documented activity performed by independent auditors to verify that an operator's management system has been developed, documented, and implemented according to the relevant SMS Standard and any additional Alternative Compliance Accreditation requirements.
Audit Criteria	A set of requirements against which objective evidence is compared.
Competency	The ability to apply knowledge and skills to achieve intended results.
Conformance	The operator's SMS fulfils the requirements of a specific SMS Standard criteria.
Continuous improvement	The ongoing efforts to enhance safety systems, policies, procedures and performance outcomes.
Control	Measures which can be used to eliminate or minimise public risk.
CoR	Chain of Responsibility.
Corrective Action Plan	A documented set of actions to identify, address, and prevent recurring issues identified through incident investigations, and audit and review findings.
Effective (E)	There is evidence that the audit criteria's relevant indicator is achieving the desired outcome and has a positive safety impact.
Evidence	Records, statements of fact or other information which are verifiable and demonstrate the existence of something.
Fitness for duty	A person's physical, mental, and emotional capability to safely perform their role at a given time.
GSA	General Safety Accreditation.
Hazard	Any thing or situation with the potential to cause harm or loss
Human factors	The application of what we know about people which can influence human performance. It includes a range of elements such as abilities, characteristics, and limitations that contribute to actions and decisions.
HVNL	The Heavy Vehicle National Law as it applies in the particular jurisdiction.
HVA	Heavy Vehicle Accreditation.
Incident	An unplanned event that results in, or could reasonably have resulted in, harm, damage, or loss.
Internal review	A process for monitoring, reviewing, and assessing the effectiveness of business practices, to confirm they have been done and are being done in the manner intended.
Investigation	A systematic process aimed at reviewing and analysing unplanned events, such as incidents or near misses, to identify the root causes and contributing factors that led to the incident.
Management	Any person who has control or influence over the management or direction of a business.

GLOSSARY

Term	Definition
Near miss	An incident that did not result in harm, damage or loss but had the potential to do so.
NHVR	The National Heavy Vehicle Regulator.
Nonconformance	Deficiencies which render the operator's management system as not fulfilling one or more criteria within the SMS Standard or any additional Alternative Compliance Accreditation requirements.
Objective evidence	Data supporting the existence or verity of something. *Note: Objective evidence can be obtained through observation, measurement, test, or other means.* *Objective evidence for the purpose of an audit generally consists of records, statements of fact, or other information which are relevant to the audit criteria and verifiable.*
Operating (O)	There is evidence that the audit criteria's relevant indicator is in use, and an output is being produced.
Operator	The person responsible for controlling or directing the use of a vehicle or a towing vehicle in a combination.
Opportunity For Improvement (OFI)	An observation made where there may be a weakness in a management system or process which has not yet caused a material impact to the organisation but there is potential.
Performance indicator	A business statistic which measures performance in critical areas.
Performance monitoring	The systematic collection and analysis of safety data to evaluate SMS effectiveness.
Present (P)	There is evidence that the audit criteria's relevant indicator is documented within the organisation's SMS documentation.
Procedure	A specified and documented method of performing an activity.
PSOE	A method of auditing to determine that criteria indicators are Present, Suitable, Operating, and Effective.
Public risks	A risk of damage to infrastructure, of harm to the environment, or to public safety.
Reasonably practicable	That which is, or was at a particular time, reasonably able to be done in relation to the duty, weighing up all relevant matters, including - a. the likelihood of a safety risk, or damage to road infrastructure, happening; and b. the harm that could result from the risk or damage; and c. what the person knows, or ought reasonably to know, about the risk or damage; and d. what the person knows, or ought reasonably to know, about the ways of - i. removing or minimising the risk; or ii. preventing or minimising the damage; and iii. the availability and suitability of those ways; and iv. the cost associated with the available ways, including whether the cost is grossly disproportionate to the likelihood of the risk or damage. Source: Section 5 Heavy Vehicle National Law
Record	A document, physical or otherwise, that furnishes objective evidence of activities.
Regulator	The National Heavy Vehicle Regulator.
Risk	The effect of uncertainty on objectives, expressed in terms of likelihood and consequences of an event occurring.
Risk assessment	A systematic process of identifying potential hazards, evaluating the associated risks, likelihood and consequences, and determining control measures to eliminate or minimise the risk.
Road Transport Law	The HVNL and roads and traffic legislation operating within each Australian state and territory.

GLOSSARY

Term	Definition
Safety critical	Systems, components, or processes that are essential to safe performance or operations. A safety critical role is a role where performance directly effects the safety of transport activities (e.g. driver, scheduler, loader).
Safety culture	An element of an overall organisational culture. Safety culture can be described as the collective beliefs, perceptions, and values that a business and its workers share regarding safety. Safety culture is evident in patterns of behaviour and work practices within a business as well as in leadership, individual, and group attitudes towards safety.
Safety Management System (SMS)	A group of policies, systems and procedures that relates to the safety of the operator's transport activities and the driving of heavy vehicles.
SMS component	The major sections, or building blocks, of each requirement that organise the SMS into logical, functional sections.
SMS criteria	The measurable, auditable indicators used to judge whether an element is working.
SMS requirement	The mandatory performance outcomes and demonstrated behaviours that must be evident to comply with the SMS Standard. The requirements break the Standard into specific duties the organisation must fulfil.
SMS Standard	The overarching framework that defines the overall expectations for a Safety Management System, i.e. what the system must accomplish, the principles it must follow, and the outcomes it should deliver.
SMS sub-component	The sub-component within each component that describes how the component is implemented. The sub-components break each component into practical activities.
Suitable (S)	The audit criteria's relevant indicator is suitable based on the size, nature, and complexity of the organisation and the inherent risk in its activity.
Third Party	An external entity to whom the Regulator has delegated its authority to perform a regulatory function under the HVNL. Or An eternal party with whom a business engages to undertake transport activities.
Transport activities	Activities, including business practices and making decisions, associated with the use of a heavy vehicle on a road, including, for example - a. contracting, directing or employing a person - i. to drive the vehicle; or ii. to carry out another activity associated with the use of the vehicle (such as maintaining or repairing the vehicle); or b. scheduling the transport of goods or passengers using the vehicle; or c. packing goods for transport using the vehicle; or d. managing the loading of goods onto or e. unloading of goods from the vehicle; or f. loading goods onto or unloading goods from the vehicle; or g. receiving goods unloaded from the vehicle. Source: Section 5 Heavy Vehicle National Law

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