

# Regulator Self-Assessment – Federal Interstate Registration Scheme

## Introduction

### *About this Self-Assessment*

The Australian Government has committed to reducing the cost of unnecessary or inefficient regulation imposed on individuals, business and community organisations. The Regulator Performance Framework (the Framework) has been developed to support Australian Government regulators to measure and improve their performance, particularly in adopting consistent, risk-based approaches to administered regulation. The Framework consists of six outcomes-based key performance indicators (KPIs) covering reducing regulatory burden, communications, risk-based and proportionate approaches, efficient and coordinated monitoring, transparency, and continuous improvement.

In 2015 the FIRS regulator developed a set of tailored KPIs as part of the Framework. Following consultation with key stakeholders these KPIs were published on the Department's website at <https://infrastructure.gov.au/department/deregulation>.

The Framework requires regulators to publish an annual self-assessment of their performance against the agreed KPIs and to have these self-assessments validated by external stakeholders. This document has been produced to meet this requirement.

### *About the FIRS Regulator*

The Department of Infrastructure and Regional Development (the Department) manages the Federal Interstate Registration Scheme (FIRS), which has been operating since 1986. Established under Commonwealth legislation, the Interstate Road Transport Act 1985, operational administration of the scheme is undertaken by State and Territory vehicle registration authorities on behalf of the Commonwealth.

A stakeholder survey process was undertaken in August 2016, but received insufficient responses to draw conclusions about management of the FIRS scheme. The FIRS regulators within Surface Transport Policy Division have therefore relied on a range of other sources to complete the self-assessment, including: anecdotal evidence; internal records of interactions with regulated entities; jurisdictional records; and the experiences of internal staff tasked with operating the FIRS hotline. Future stakeholder surveys will utilise alternative approaches in order to deliver more meaningful conclusions.

Based on the available information, the regulatory owners are satisfied the management of the Federal Interstate Registration Scheme is in accordance with the KPIs as described in the measures and evidence document posted on the Department's website. An evaluation of the programme is currently underway as part of an internal review process, in anticipation of a transitioned closure when a national registration scheme for heavy vehicles is implemented. This evaluation will better clarify the efficiency and effectiveness of current FIRS management.

## Key Performance Indicator 1 – Regulator does not unnecessarily impede the efficient operation of regulated entities.

Measure	Evidence	2015-16 Results
<p>Department encourages the states and territories to administer the Act and regulations consistent with the state and territory legislation and Heavy Vehicle National Law (HVNL) obligations</p>	<p>Administration issues are generally raised with jurisdictional administrators as the first point of contact.</p> <p>Annual industry consultation. Annual stakeholder survey undertaken and any key issues identified and changes reported back to stakeholders (<i>new evidence</i>).</p>	<p>Feedback to date suggests that questions are raised directly with the FIRS administrators on a case by case basis at an informal level.</p> <p>A stakeholder survey was undertaken, but there was an insufficient response rate to draw meaningful conclusions. Future stakeholder surveys will utilise alternative approaches in order to deliver more meaningful information. This may include using State and Territory road authorities to directly contact transport operators with FIRS registered vehicles, or an equivalent targeted approach.</p>

### Additional commentary

FIRS was designed from the outset to be a low burden programme for operators, by utilising many existing state based operational frameworks. The Department has no specific operational requirements for FIRS operators, other than compliance with local legislation. Due to the successful long-term relationship with jurisdictional road authorities, supported by well-established administrative processes, the Department is confident that FIRS operators are not being impeded by inefficient administrative operations. This is consistent with advice from industry provided during FIRS Evaluation round table discussions, who confirmed that the FIRS registration process was no more onerous than the State/Territory registration process for heavy vehicles.

**Key Performance Indicator 2 – Communication with regulated entities is clear, targeted and effective.**

Measure	Evidence	2015-16 Results
<p>Department facilitates communication between regulated entities and jurisdictional administrators.</p>	<p>FIRS Hotline calls are responded to in a timely and efficient manner, with referrals to jurisdictions where appropriate.</p> <p>Departmental website provides clear information on eligibility and application process, with links to jurisdictions where appropriate.</p> <p>Annual industry consultation. Annual stakeholder survey undertaken and any key issues identified and changes reported back to stakeholders (<i>new evidence</i>).</p>	<p>Phone calls through the FIRS line are intermittent and are not logged. However, officer experience over time indicates that phone enquiries to the FIRS hotline are responded to in a timely manner, and generally fall into two categories:</p> <ul style="list-style-type: none"> <li>• Immediate response – for general administrative or operational enquiries that are usually referred directly to the relevant jurisdictional road agency; or</li> <li>• Within 24 hours – for enquiries requiring more considered policy advice or research of historical documents or legal advice. Further advice may be sought from road agencies or police, in which case the operator is kept apprised of progress until the matter is settled.</li> </ul> <p>The Department’s website provides clear and up-to-date information on eligibility and the application process, with web links to jurisdictional road agencies for further information included for user reference. Website content is in line with Australian Government best practice.</p> <p>Feedback provided to date suggests that the information provided on the website is useful to users.</p> <p>As previously discussed.</p>
<p>Engagement with industry before changing policies and practices under the Scheme.</p>	<p>Stakeholders are consulted before any changes to the Scheme.</p> <p>Annual industry consultation. Annual stakeholder survey undertaken and any key issues identified and changes reported back to stakeholders (<i>new evidence</i>).</p>	<p>No policy changes to FIRS during 2015-16</p> <p>The Interstate Road Transport Charge Regulations 2009 are updated annually to reflect operator registration charges, through the Heavy Vehicle Charges Determination.</p>

Measure	Evidence	2015-16 Results
	Stakeholders are made aware of the phasing out of FIRS in the lead up to the introduction of, and transition to, the new national heavy vehicle registration scheme (HVNL), including: <ul style="list-style-type: none"> <li>• via written notification (via state and territory registration authorities as agents for the Commonwealth) at an early stage; and</li> <li>• during any contact with the FIRS hotline or enquiries with relevant state and territory registration authorities.</li> </ul>	No formal advice has been provided to industry about the FIRS closure at this stage. Following agreement on timeframes for a staged implementation of a national registration scheme, the Department will develop and release a FIRS transitional closure plan for industry.

Additional commentary

Insufficient responses to the Department's 2015-16 stakeholder survey meant useful data could not be developed from this process. Next time it may be better to also approach FIRS operators through the jurisdictional road agencies who may be able to target operators more directly. Round table discussions have also been useful as part of the FIRS Evaluation process and this may better facilitate the qualitative data collection process.

**Key Performance Indicator 3 – Actions undertaken by the regulator are proportionate to the regulatory risk being managed.**

Measure	Evidence	2015-16 Results
Engage with jurisdictions to encourage application of risk-based approaches to compliance and enforcement.	<p>Department facilitates communication between regulated entities and jurisdictions to encourage compliance strategies that are proportionate.</p> <p>Annual industry consultation. Annual stakeholder survey undertaken and any key issues identified and changes reported back to stakeholders (<i>new evidence</i>).</p>	<p>Nil for 2015-16.</p> <p>The Department maintains a risk register concerning the regulation of FIRS, with the Scheme considered to be a low risk programme.</p> <p>As previously discussed.</p>

Additional commentary

Consistent regulatory processes over time have created a predictable regulatory environment and jurisdictional road agencies are compliant with their ongoing reporting and financial responsibilities.

**Key Performance Indicator 4 – Compliance and monitoring approaches are streamlined and co-ordinated.**

Measure	Evidence	2015-16 Results
<p>Monitor approach of jurisdictions to encourage no additional compliance for FIRS registered vehicles compared to vehicles that are registered under the HVNL or state schemes.</p>	<p>The Department to write to jurisdictions requesting information about how FIRS compliance and enforcement is undertaken, including any changes in enforcement policy or practice, on an as-needs basis. The Department will use this information to encourage jurisdictional administrators to promote clear and consistent information about compliance and enforcement, and not to impose unnecessary compliance burdens on regulated entities.</p>	<p>Feedback to date suggests the Department’s monitoring and compliance approaches are appropriately streamlined and coordinated.</p> <p>It was not necessary to write to jurisdictions on any specific compliance and enforcement issues during 2015-16, however general questions were asked in the FIRS administrator survey as part of the FIRS Evaluation process.</p> <p>The Department has a good working relationship with the jurisdictional road agencies, and is in regular contact with them to resolve any concerns raised by internal or external stakeholders.</p>

Additional commentary

It is anticipated that the FIRS evaluation process being undertaken in the first half of 2016-17 will provide insight on areas where compliance and monitoring of both administrators and FIRS operators may be improved.

**Key Performance Indicator 5 – Regulator is open and transparent in its dealings with regulated entities.**

Measure	Evidence	2015-16 Results
<p>Regulated entities have open avenues for dealing directly with the Department and perceive the Department as open, transparent and responsive.</p>	<p>FIRS Hotline and FIRS website provide a direct avenue for regulated entities to contact the Department.</p> <p>Annual industry consultation. Annual stakeholder survey undertaken and any key issues identified and changes reported back to stakeholders (<i>new evidence</i>).</p>	<p>The website and phone line continue to be operated and monitored. Feedback to date indicates that the Department is open and transparent in its dealings with regulated entities, noting that there is limited direct contact between FIRS operators and the Department, with the jurisdictional road agencies handling customer transactions and most interactions.</p> <p>As previously discussed.</p>
<p>Ensure jurisdictions advise regulated entities that they may seek review from the Commonwealth Minister. Regulated entities dissatisfied with decisions may also take their case to the Administrative Appeals Tribunal (AAT).</p>	<p>Monitor stakeholder correspondence where regulated entities are aggrieved and take action where required (no complaints received, to date, that require action by Minister or AAT).</p>	<p>The Department is not aware of any complaints that have been registered directly by FIRS operators, or through road agencies. We are not aware of any recent ministerial correspondence referred to the Department stating any grievances or complaints about the FIRS regulatory framework or the management of the scheme.</p>

**Key Performance Indicator 6 – The regulator actively contributes to the continuous improvement of regulatory frameworks.**

Measure	Evidence	2015-16 Results
<p>The Inter-Governmental Agreement for Heavy Vehicle Reform, signed by all jurisdictions (except WA) on 19 August 2011, includes a commitment by the Australian Government to close FIRS on the establishment of a national registration scheme for heavy vehicles administered by the National Heavy Vehicle Regulator. A national registration scheme is expected to be implemented in 2018.</p>	<p>Any changes to FIRS regulatory framework will take into consideration that the Australian Government is committed to close FIRS on the establishment of a national registration scheme for heavy vehicles.</p> <p>Stakeholders are made aware of the phasing out of FIRS with the introduction of the new national heavy vehicle registration scheme (HVNL).</p>	<p>No formal advice has been provided to industry about the FIRS closure at this stage. Following agreement on timeframes for a staged implementation of a national registration scheme, the Department will develop and release a FIRS transitional closure plan for industry.</p> <p>FIRS is currently being evaluated by the Department in cooperation with an independent consulting firm, with the aim of informing a future national registration system for heavy vehicles scheduled to start from mid-2018.</p>

Additional Commentary

The FIRS legislation is subject to regular legislative reviews, with the last being undertaken in 2008.

The most recent policy change to the FIRS legislation took place in November 2014, when the legislation was amended to remove the requirement for FIRS B-double operators to fit spray suppression devices that comply with British Standard AU 200. This reduction in red tape for affected FIRS operators was estimated to save industry around \$8.3 million per year and provide greater consistency with the Heavy Vehicle National Law.