



Point to Point
Transport Commissioner

ASP Risk and Assurance Framework

Point to Point Transport Commissioner

Applicable to:

This document applies to the activities of the NSW Point to Point Transport Commission and specifically the Compliance team in the establishment and review of assurance categories assigned to individual ASP's for the purposes of allocating resources to support the Commissions compliance and assurance activities.

Effective Date: 30/07/21

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1 Purpose

This document provides a framework for the allocation, and review, of an assurance category assigned to Authorised Service Providers (ASPs) to inform and support the Point to Point Transport Commission's (the Commission) compliance and assurance activities.

The assurance category assigned to an ASP assists the Commission in determining the best application of resources as part of the Commission's compliance activities.

This document also identifies the minimum assurance activities that are required to be undertaken by the Commission's Compliance branch based on an ASP's assigned assurance category and outlines a framework for the review (both periodic and prompted by an event or additional information) of the assurance priority for compliance action.

2 Mandatory requirements

2.1 Risk Prioritisation and Assurance Categorisation of Authorised Service Providers

The Compliance branch uses a process of categorisation based on relative operational risk to assess ASPs and determine where to allocate the Commission's resources for compliance activities.

The assurance category assigned to an ASP informs the Compliance branch's approach to, and level of engagement with, the ASP, including the prioritisation of safety audits and other compliance activity.

2.2 Initial Authorised Service Provider Assurance Category

The Compliance branch allocates an initial assurance category to an ASP based on the ASP's estimated trip range - their estimated monthly trips, shortly after their registration as a tax payer.

Based on the estimated trip range the ASP will be classified as a low, medium or high priority for further engagement and assurance by the Commission. The priority rating will be recorded in Salesforce.

Trip Range	Assurance Category
Highest	High
Very High	High
High	High
Moderate	Medium
Low	Low
Very Low	Low
Rebate	Low
Exempt	Low

2.2.1 Scheduled Review of Authorised Service Provider Assurance Category

The initial assurance category assigned to an ASP by the Compliance branch is reviewed on a periodic basis and as a minimum reviewed every 3 years. In reviewing the ASP's priority rating the Principal Manager Compliance (or delegate) will apply the criteria outlined in the matrix below.

Criteria	Lower Priority	Medium Priority	High Priority
Average Monthly Trips / Operation Size	(Very low /Low)	(Moderate)	High – Highest
SMS Maturity	Established and implemented.	Developing	No established processes
Compliance / Performance	No infringements or non-compliances identified for ASP	Minor non-compliance identified through on street/investigation /audit	Significant non-compliance associated with ASP / Lack of cooperation/engagement with PTP
Organisational Maturity	Established ASP.	Existing ASP with a change to operations or ownership.	ASP is new entrant to industry. No history as an ASP.

Table 2: Criteria used to determine ASP assurance category priority rating: The assurance category will be assigned based on the highest level of priority obtained from the matrix.

The date of the most recent review of an ASP's assurance category will be recorded in Salesforce as well as the next scheduled review.

2.2.2 Triggered Review of an Authorised Service Providers Assurance Category

Following the initial categorisation of an ASP, a triggered review of an ASP's assurance category may be initiated by the Principal Manager Compliance.

A review of an ASP's currently assigned assurance category may be initiated based on:

- the findings of an audit
- a change to the ASP's operations (change of ownership/management, increased or decreased trip range, change of area of operations)
- feedback from an advisory visit
- trends or concerns associated with a notifiable occurrence
- the outcome of an investigation
- intelligence provided by stakeholders
- issues identified by the on street unit or other members of the Commission or law enforcement.

This review also considers any interaction the Compliance branch has had with the ASP since the last review of their assurance category as well as factors associated with the ASP's geographic area of operation and any systemic issues relevant to the service provider's activities.

The justification for a change to an ASP's assurance category will be recorded in Salesforce.

2.3 Compliance and Assurance

The Commission has an established Compliance branch of Authorised Officers who use a variety of methods to provide the Commissioner with assurance that ASPs comply with their duties. The Compliance branch uses actions including advisory visits, audits, targeted compliance, investigations and on-street compliance to monitor and assure ASP compliance.

2.3.1 Advisory visits

Advisory visits, while not intended primarily as an assurance activity, provide the Compliance Branch with preliminary information about an ASP and the maturity of its operations and systems. Advisory visits are coordinated and conducted by the Commission's Audit Team within 8-12 weeks of the service provider becoming authorised.

Information gathered via an advisory visit is provided back to the Compliance branch for the purposes of:

- establishing or reviewing an ASP's existing assurance category
- assessing an ASP's level of understanding of industry related risks
- assessing the ASP's capacity to manage industry related risks.

2.3.2 Initial Audits

Initial Audits are carried out where the ASP has not yet had an advisory visit and their priority is not otherwise flagged as high. This is to provide a measure of the ASP's compliance with key aspects related to vehicle and driver safety whilst also imparting information to ASPs regarding any responsibilities under their authorisation with which they may be less familiar. ASPs who have already received an advisory visit will attract either a full or targeted audit as appropriate to their circumstances.

In selecting ASPs to be scheduled for initial audits, the following is considered:

- the priority assigned to an ASP; initial audits are not scheduled for ASPs who fall within the high priority category
- the geographic location - initial audits are primarily carried out in regional areas where more routine face to face compliance activity is limited

When selecting ASPs in an area or region for an initial audit, the following factors are considered:

- prior cancellation/ refusal of an advisory visit

- size of business (number of vehicles/ unique drivers)
- level of activity (based on levy data)
- issues raised because of an enquiry or complaint

Information gathered via an initial audit is provided back to the Compliance branch for the purposes of:

- reviewing an ASP's existing assurance category
- assessing an ASP's level of understanding of industry related risks
- assessing the ASP's capacity to manage industry related risks.

2.3.3 Audit Program

The Compliance branch maintains an Audit Program focused on monitoring the compliance of ASPs with their safety duties under the *Point to Point Transport (Taxis and Hire Vehicles) Act 2016* and the *Point to Point Transport (Taxis and Hire Vehicles) Regulation 2017*.

In selecting ASPs to be included in the Audit Program, the Principal Manager Compliance (or delegate) will review and consider the following:

- the assurance priority assigned to an ASP, with priority being given to ASPs assigned a high rating
- previous audits conducted / cancelled
- the size of the ASP's operations
- previously refused advisory visits
- any feedback received from stakeholders
- trends identified by the Intelligence and Analytics Team
- geographic location
- prior and current regulatory involvement
- past and current operator performance
- evidence of 3rd party assurance

The Audit Program is risk based and focusses on the Commissioner's safety priorities.

The assurance category assigned to an ASP determines the minimum frequency of scheduled audits to be undertaken by the Commission. The minimum frequency of audits and the other assurance methods available to the Commission are detailed in the table below.

Assurance Category	Audit Frequency	Other Assurance
High	Once every 2 years	<ul style="list-style-type: none"> • On street compliance and monitoring • Customer Complaints • Incident Reports • Investigation(s)
Medium	Once every 4 years	
Lower	Sample undertaken per region per year	

Assurance Category	Audit Frequency	Other Assurance
		<ul style="list-style-type: none"> Intelligence and Analytics

Table 3: Audit Frequency based on Assurance Category

2.3.3.1 Sampling of ASPs categorised as Low

For the purposes of efficiency and maximising the value of deploying Authorised Officers to regional areas to undertake scheduled or targeted audits, additional audits may be built into the program, focussing on other ASPs who operate out of similar geographic areas.

2.3.3.2 Conducting and Capturing Audits

Routine Audits will be conducted by the Commission's Authorised Officers using established audit tools. At the conclusion of a safety audit visit, the Audit Officer provides the ASP with a summary of any non-compliant issues.

Upon completion of the safety audit, the ASP is sent the audit report setting out the Authorised Officer's detailed findings and the steps necessary to address any non-compliance.

The outcome of the audit will inform the review of the ASP's current assurance category.

ASPs with no safety management system in place or more serious safety breaches will be issued Improvement Notices. The improvement notices specify a date by which the ASP must demonstrate compliance. The ASP is required to provide evidence of completion of the required action to the Commission by the specified date.

Authorised Officers review the evidence of compliance submitted by the ASP and provide appropriate feedback. The timeframes provided in the Improvement Notices will dictate priority of the actions.

Information gathered via a safety audit is provided back to the Compliance branch for the purposes of:

- reviewing an ASP's existing assurance category
- assessing an ASP's level of understanding of industry related risks
- assessing the ASP's capacity to manage industry related risks.

2.3.4 Targeted compliance

In addition to the Audit Program, Authorised Officers will respond to potentially high-risk safety issues where specific deficits in safety management systems have been identified.

Such issues can be identified by other areas within the Commission or because of an external enquiry or complaint.

2.3.5 On-Street Compliance

The Commission's On-Street Inspection team is focussed on front line compliance activities including compliance checks associated with driver's and vehicle standards.

Complaints and suspected breaches are referred to the On-Street team for initial assessment. Depending on the nature and severity of the breach the matter may be investigated by the On- street team as part of their compliance activities or referred to the Investigations team for further investigation and prosecution.

The On-Street team undertakes compliance enforcement operations including:

- joint operations with TfNSW and NSW Police
- surveillance at secured ranks and planned events
- vehicle and fleet inspections
- driver related offences
- response to complaints and reported breaches.

2.3.6 Investigations and prosecution

Where a breach of the Act or Regulation is identified, Authorised Officers will determine, based on the nature and severity of the breach, the appropriate compliance action to be taken and any followon action required for the ASP, including the triggered review of the ASP's assurance category.

3 Accountabilities

The Principal Manager Compliance is responsible for the maintenance and implementation of this framework.

Members of the Compliance Branch are responsible for implementing the requirements of this framework as part of their compliance activities and for supporting the review and allocation of an assurance category to ASPs based on current intelligence and advice.

4 Breaches of this policy

TfNSW may commence applicable disciplinary action if a person to whom this Policy applies breaches this Policy (or any of its related Procedures), including and up to termination of employment

5 Document History

Date and Procedure No	Approved by	Amendment notes
July 2021	ED Point to Point Transport Commission	Initial version of document history

6 Attachments/related links

The following documents relating to this Policy can be found on the intranet at the following location:

1. Compliance Strategy