Safety Management System (SMS) Guidelines

Pursuant to section 9D (2) (c) of the Passenger Transport Act 1990

For Bus and Coach Operators in NSW

Roads and Maritime Services

Level 5, 27-31 Argyle Street
PARRAMATTA NSW 2150

PO BOX 973
PARRAMATTA CBD NSW 2124

Phone: 13 22 13

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Objective of a Safety Management System

As part of Government's continuing commitment to transport safety, accredited bus and coach operators are required to have in place a Safety Management System (SMS).

To support this commitment the *Passenger Transport Act 1990* (the Act) states that it is a condition of accreditation that an accredited service operator has a safety management system (SMS) that complies with section 9D of the Act.

An SMS must:
- Be documented
- Be able to identify significant risks that have arisen or may arise from providing the service
- Specify the controls (including, staff, expertise, resources and review process) that are to be employed by the operator to manage the risks and to monitor safety outcomes in relation to the provision of the service.

The Guidelines set out the requirements that must be included in an SMS to ensure compliance with the accreditation condition as set out in the Act. The Guidelines also provide operators with a framework for the provision of safer public passenger services.

Safety Management System Guidelines

SMS Guidelines:
Eight safety elements make up the SMS and provide bus (and coach) operators with the necessary framework to implement and maintain a compliant SMS.

The eight safety elements:

1. Commitment and Objects
2. Management, Accountabilities, Responsibilities and Communication
3. Hazard & Risk Management
4. Process Documentation
5. Transport Safety Employee Monitoring Program
6. Training and Education
7. Safety Performance Measurement
8. Audit and Evaluation

The bus industry consists of a wide range of operations and services. To accommodate these different operating characteristics, the SMS Guidelines provide flexibility in their application. (For the purpose of these guidelines, a small bus (or coach) operator has less than 20 employees and a large bus (or coach) operator has at least 20 employees).

For further information about bus operator accreditation including SMS please refer to www.rms.nsw.gov.au/buses or contact your region's office on the front page.

An industry website is also maintained by Bus NSW at www.busnsw.com.au.

What is a Safety Management System?

A Safety Management System (SMS) is an integrated set of work practices and procedures for monitoring and, where identified, improving the safety of a business. A successful SMS provides a systematic and comprehensive process for managing risks, and includes a schedule of core elements, which are enhanced as the size of the business grows.

The SMS should be well documented and communicated to all levels of staff, especially those who are considered "Transport Safety Employees".

The NSW Government requires bus operators to enhance safety by ensuring that they have:

- Bus safety workers (drivers, operations, administration and maintenance staff) correctly licensed, trained and fit for duty
- Buses that are correctly maintained that meet the necessary Roads and Maritime Services licensing and road-worthiness requirements
- Bus services designed to operate in a safe manner, whilst ensuring that management are accountable and responsible for the monitoring of bus driver fatigue, adherence to driving hours, bus maintenance, timetables and driver rostering.

Please note that for the purpose of the SMS Guidelines, safety also includes passenger and staff security.

What is a Transport Safety Employee?

A Transport Safety Employee is:

- An employee or a contractor of an accredited service operator who performs bus safety work
- A person who, without remuneration or reward, voluntarily and without obligation performs transport safety work for an accredited service operator
- An individual who is an accredited service operator and who performs bus safety work.

What is Bus Safety Work?

Means the following classes of work:

- Work relating to the driving or other operation of a bus, the loading or disembarking of passengers onto or from a bus or the movement of buses
- Work relating to repair, maintenance or upgrading of buses, bus terminals or bus maintenance facilities
- Work involving the development, management or monitoring of safe-working systems for public passenger services carried on by means of buses
- Any other work that is prescribed by the regulations as bus safety work.

Establishing a Safety Management System

You should plan to integrate the SMS into your operation in a way that suits your particular bus operation. You will have some or all of the eight safety elements already addressed in various formats of your current management systems.

Research has found that you should consider the ten key steps to a successful SMS.

1. Gain owner and/or top management commitment
2. Set safety management policies and objectives
3. Establish a process to review and manage risks
4. Allocate safety responsibilities
5. Set up a Safety Committee (usually only for large or complex bus operations)
6. Set up a reporting system to record hazards, risks and actions taken
7. Train and educate staff
8. Audit your operation and investigate incidents and accidents
9. Set up a system to control documentation and data
10. Evaluate how the system is working.

Each step is addressed in the following safety elements, which will be the basis for an independent auditor to review your SMS.

Definitions

Term	Definition
Accreditation	All operators of a <u>Public Passenger Service</u> in NSW must be accredited.
Audit	An audit is a review of your compliance to the legislative requirements of Roads and Maritime Services. Annual audits should be undertaken of your safety management program.
Bus	A motor vehicle which seats more than 8 adult persons, and includes a vehicle of any class prescribed by the regulations for the purpose of this definition. For the purpose of the SMS **bus** and **coach** have the same meaning.
Contractor	Someone working for the bus operation and carrying out Transport Safety Work as defined in the Act.
Incident	For the purposes of the SMS an incident is defined where an operator is required to report such occurrences under the conditions of the bus operator accreditation as follows: • Injury incurred to any person or persons • The event is serious enough to prevent the vehicle from continuing the journey • The event is likely to arouse public concern;
Large Business	For this purpose a large business refers to a bus operator with at least 20 employees.
Public Passenger Service	A *public passenger service* means the carriage of public passengers for a fare or other consideration by bus along a road or road related area There are different types of <u>Public Passenger Services</u> including: ▪ **Regular Passenger Services** ▪ **Long Distance Services** ▪ **Tourist Services** ▪ **Charter Services** <u>Public passenger bus services</u> in NSW are regulated under the *Act* and Regulations.
Reporting System	A reporting system is a formal process of collecting, recording, acting on and providing feedback to staff about hazards and risks to your operation.
Safety Management System (SMS)	A Safety Management System is an integrated set of work practices and procedures for monitoring and, where identified, improving the safety of your bus operation.
Safety Policy	A safety policy sets out what you are trying to achieve through your Safety Management System.
Small Business	For this purpose a small business refers to a bus operator with less than 20 employees.
Top Management	Includes but not limited to directors, owner/s and or senior manager/s in positions where both business decisions are made and budget/finance is approved.

Section 1: Guidelines

Element 1:   SMS Policy, Commitment and Objectives

Core Elements

The Safety Management System Policy sets out what you are trying to achieve through your safety management system. The policy is a statement of:

1. Commitment to safety by top management of the bus operation.
2. Safety objectives
3. Security objectives
4. Management of safety/security and safety/security objectives in your operation.

The policy should be located centrally and accessible by staff.

Requirements for All Bus Operators

- Develop a policy statement that is signed by the organisation's top management
- Display the current version of the policy in a prominent and accessible location at the workplace
- Include the policy within all employee handbooks, induction and training material.

Element 2:   Management, Accountabilities, Responsibilities and Communication

Core Elements

An operator must assign clear responsibilities for all positions that perform transport safety work. This is an important step in establishing an SMS as it reinforces to managers and staff their obligations in maintaining a safe operation for passengers and staff. Management must also have mechanisms in place to ensure that changes to systems and or procedures that have safety implications are passed on to all staff.

Requirements for All Bus Operators

- Nominate a top management position who will have responsibility for the implementation, management and ongoing maintenance of the SMS
- Develop and maintain position descriptions for all positions that perform transport safety work. These position descriptions should clearly identify and include all specific safety/security and reporting responsibilities of a Transport Safety Employee
- Manage and distribute all relevant SMS documentation throughout the business.
- Where appropriate, prepare an organisational chart which shows all positions and reporting relationships
- Implement a system to ensure staff are aware of changes in safety related activities (Change Management).

Element 3:   Hazards, Risk Management

Core Elements

This safety element sets out the requirement for the identification of hazards and risk, the potential consequences and implementing plans to eliminate, reduce or mitigate the possible outcomes.

A hazard is an exposure to danger or harm that may result in damage or injury. Risk is the chance that a hazard will result in damage or harm. Risk is measured in terms of consequences and likelihood.

Risk management needs to link to your bus operations safety policy objectives as well as your incident management and investigation activities. A systematic process for identifying risks and hazards relies on an effective incident reporting system.

Security Management is a safeguard to provide a secure environment and to reduce the potential of criminal, intentional acts and emergencies that may harm customers or staff or impede the effectiveness of the business.

Requirements for All Bus Operators

You must develop a risk register and nominate a position that is responsible for maintaining it.

Note: the risk register should be developed in accordance with AS/NZS 4360:2004 – Risk Management

The risk register should identify your risks (hazards), be updated as hazards and risk are identified, and, as a minimum, contain the following headings:

- The identified hazards
- Severity of these hazards if they do occur
- Likelihood of these hazards occurring
- Risk rating (or risk score) for each identified hazard
- Changes or controls to be implemented
- Employee/s responsible for these controls
- Review of implemented controls

Additional Requirements for Larger Bus Operators
Bus operators that service major transport interchanges should consider the threat of terrorism as part of the security risk assessment and make appropriate arrangements with other transport operators in relation to shared locations such as bus/rail/ferry interchanges.

Additional Requirements for Regional and Rural Bus Operators

Rural and Regional school bus operators need to consider the risks associated with the location of rural school bus stops and consider the "Advice for Choosing Locations of Informal School Bus Stops" released by the Centre for Road Safety in December 2016.

Element 4:   Process Documentation

Core Elements

Understanding key safety related functions or processes within your business and developing standard documentation for procedures is a key activity within the SMS. These processes should identify the primary work tasks and the resources responsible for performing those work tasks e.g. staff, equipment, systems etc.

The reporting of incidents will assist in focusing operator attention on recording and analysing incidents. This is an important function of your operation's performance in safety management.

The setting of safety and security related objectives and targets are a practical way of managing and monitoring this area of your business performance.

Requirements for All Bus Operators

As a minimum, operators should have in place procedures for:

- Bus maintenance
- Driver health management
- Pre-departures and sign-on procedures
- Incident Management
- Develop documented procedures for processes
- Ensure the procedures are approved by owner and/or top management
- Ensure that documentation is accessible to all staff
- Train all staff and contractors in relevant safety procedures.

Element 5:   Transport Safety Employee Monitoring Program

Core Elements

Bus operators have obligations under Work Health and Safety legislation to ensure that drivers and other operational staff do not knowingly put themselves or others at risk while performing their duties. Worker health is an important risk in this regard, and one which should be managed as part of an SMS. Bus operators need to ensure that their transport safety workforce is fit for work.

This safety element requires bus operators to develop systems and procedures to ensure that the health of transport safety employees is monitored and managed on a pro-active and regular basis. This is particularly important for bus drivers but should be considered for all other workers.

Requirements for All Bus Operators

- Establish appropriate policies in relation to driver health, including fitness for duty, drugs and alcohol and driver fatigue
- Ensure awareness of responsibilities in relation to health, including general fitness to drive, drugs and alcohol use and fatigue

- Maintain a system for monitoring the licence and driver authorisation (and therefore health assessment) status of drivers.
- Establish practicable procedures to manage the onset of illness which may impact on fitness for duty, including appropriate "triggering" of health assessments and return to work program
- Comply with drug and alcohol requirements, including establishment of a drug and alcohol policy and program
- Comply with fatigue management requirements, including establishment of a fatigue management program and monitoring of drivers' hours.

Please Refer: (i) guidelines for Transport Safety Employee Monitoring, and (ii) guidelines for Drug and Alcohol Programs for bus operators.

Element 6:   Training and Education

Core Elements

Staff require the appropriate training and education to enhance their skills to perform their duties in a safe manner.

Bus operators need to ensure that they have the necessary systems in place to determine the skills required by staff to perform work in a safe and competent manner and that their staff are appropriately trained.

Requirements for All Bus Operators

- Determine the skills required by your organisation
- Introduce a staff training and education program
- Establish a personnel records system
- Regularly update your personnel records to reflect staff skills and qualifications
- Ensure staff are aware of all responsibilities (including specific safety responsibilities) contained within position descriptions, documented procedures, employee handbook and any other organisational safety documentation. Briefing of staff in these areas should take place during an initial induction, as part of the employment process.

Element 7:   Measuring Safety Performance

Core Elements

You must record, analyse and monitor the number and types of safety related incidents occurring within your operation.

Based upon analysis set goals or targets in relation to the types of incidents, monitoring how safety performance is improving over time. This can be achieved by establishing a set of stated objectives and targets.

Requirements for All Bus Operators

The bus operator must:

- Notify incidents to Roads and Maritime Services, the Office of Transport Safety Investigation (OTSI) and/or other relevant authorities e.g. Police, WorkCover, etc
- Record the type of incident, its severity and other pertinent details
- Notify all relevant staff within the operation that have a particular role e.g. operations manager, owner in the event of an incident and / or emergency situation
- Manage incidents out of normal business hours e.g. contact lists, emergency numbers, etc
- Conduct safety investigations as required by Roads and Maritime or OTSI.
- Ensure recommendations from incident investigations will be approved, implemented and monitored
- Record and report on incident data, so management can review the suitability of the existing risk controls within the operation
- Perform monthly reviews of safety performance against safety objectives.

Additional Requirements for Larger Bus Operators

- Develop and implement safety related objectives, targets and key performance indicators (KPIs) to assess actual safety performance against a pre-determined set of stated requirements.
- **Please Refer**: Attachment 1 Security and Emergency Management.

Element 8:   Audit and Evaluation

Core Elements

Audits provide information that can demonstrate if the policies and procedures which an operator puts in place are working as intended and whether staff are complying. This information can then alert you to things that may need to be done to further improve safety or address a new or changed risk.

Performing annual internal SMS audits will assist you in preparing for Roads and Maritime Services annual self assessment and the three yearly independent audits as required under the bus operator accreditation system.

Requirements for All Bus Operators

- Develop an annual audit plan
- Highlight any items detected from an audit that demonstrate significant non-compliance as a formal Corrective Action
- Finalise and verify any identified corrective actions as a result of the internal auditing process to improve safety performance
- Proactively identify any areas of bus operations that could benefit by improvement prior to a potential incident occurring i.e. Preventative Action.

Attachment 1: Security and Emergency Management
(Refer: SMS Element 7 – Measuring Safety Performance)

Security Management

Security Management is a safeguard to provide a secure environment and to reduce the opportunity for potential criminal intentional acts that may harm customers or staff or may render the business less effective.

What the Element Means

You must assess the organisation's operations and identify existing or potential security risks and implement appropriate treatment measures. You will need to document this information as part of the overall Safety Management System. Some Operators may wish to develop a stand-alone Security Plan.

As part of the overall Safety Management System Bus Operators will need to:
- Allocate responsibilities for security to appropriate positions within the organisation (refer to SMS Element 2)
- Assess the security risks affecting passengers, staff, vehicles and facilities (refer to SMS Element 3). Risk assessments should be conducted in accordance with AS/NZS 4360:2004 – Risk Management
- Develop control measures to eliminate or reduce identified security risks. These may include training, policies, procedures, equipment, facilities and physical resources. (refer to SMS Element 3)
- Periodically review identified security risks and the measures used to reduce or eliminate the risks
- Establish procedures for staff to report security incidents and suspicious activity (refer to SMS Element 4)
- Establish procedures to respond to major incidents and emergencies. Your risk assessment will indicate the type of hazards that you need to plan for. These may include events that are managed by the Emergency Services but which may have an impact on your operations e.g bush fires and floods
- Train your staff in security related issues including awareness, identification of risks and actions to be taken in the event of a security incident (refer SMS Element 6)
- Evaluate and test the suitability of your security arrangements e.g. by conducting an audit (refer to SMS Element 8).

Additional Requirements for Larger Operators (may also apply for Small Operators):

- Make arrangements with other transport operators in relation to shared locations such as bus/rail/ferry interchanges
- Develop measures that may be implemented to respond to higher threat situations and changes to national terrorism alert levels. Police and Roads and Maritime Services will develop additional guidance material to assist Bus Operators to do this.

The security requirements can be documented as part of the overall SMS. Some operators may choose to develop a stand-alone security risk register and plan.