



**TRANSPORT AND INFRASTRUCTURE  
SENIOR OFFICIALS' COMMITTEE**



**RAIL INDUSTRY SAFETY AND STANDARDS BOARD**

ABN: 58 105 001 465

# **MEMORANDUM OF UNDERSTANDING**

**BETWEEN**

**TRANSPORT AND INFRASTRUCTURE  
SENIOR OFFICIALS' COMMITTEE**

**AND**

**THE RAIL INDUSTRY SAFETY AND  
STANDARDS BOARD**

## **1 Preamble**

- 1.1 The Transport and Infrastructure Senior Officials' Committee (TISOC) is an inter-jurisdictional body accountable to the Transport and Infrastructure Council (TIC) of the Council of Australian Governments (COAG). TISOC is responsible for delivering national reforms on behalf of TIC.
- 1.2 The Rail Industry Safety and Standards Board (RISSB) was formed by the Australasian Railway Association (ARA) to improve operational efficiency, safety and interoperability for rail owners, operators and suppliers (the rail industry) through the development, publication and maintenance of national standards, codes of practice, rules and guidelines. In 2015 RISSB became a stand-alone, Limited by Guarantee Not For Profit organisation, owned by its members.
- 1.3 The standards, codes of practice, rules and guidelines published by RISSB form the Australian Code of Practice (the Code). Together with associated documents, the Code complements the safety management systems that are recognised by the Office of the National Rail Safety Regulator (ONRSR) in the accreditation of rail operators and provide guidance to achieve uniformity and national consistency in rail operations.
- 1.4 The RISSB 'Standards' development process is accredited by Standards Australia. RISSB also uses this process to develop its codes and rules. A slightly modified process is used to develop RISSB guidelines and other material.
- 1.5 Funding of up to \$1.63 million (GST exclusive) per annum in aggregate is provided to RISSB by the Commonwealth, New South Wales, Victoria, Queensland, South Australia, Western Australia, Tasmania, Northern Territory Governments (the Governments), represented through TIC, for the development of the Code. The rail industry provides matching cash funding (which is adjusted annually by the Consumer Price Index). The value of the rail industry's 'in kind' contributions is estimated by RISSB to be equal to that of the combined cash contributions of both Governments and the rail industry.
- 1.6 A review of the RISSB MoU was conducted by the Governments in 2017 and the findings of that Review informed the drafting of this MoU.

## **2 Parties to the Memorandum of Understanding (MoU)**

- 2.1 The Parties to this MoU are:
  - 2.1.1 The Governments of the Commonwealth, New South Wales, Victoria, Queensland, Western Australia, South Australia, Tasmania and the Northern Territory represented by the Transport and Infrastructure Senior Officials' Committee; and
  - 2.1.2 The Rail Industry Safety and Standards Board.

## **3 Purpose of the Memorandum of Understanding (MoU)**

- 3.1 The primary purpose of this MoU is to:
  - 3.1.1 provide a basis for a cooperative framework for Governments and the rail industry to progress rail operational and safety reform; and
  - 3.1.2 promote harmonisation and interoperability of rail standards.

- 3.2 The MoU outlines the arrangements for the provision of Government funding and RISSB's obligations to TIC, as a recipient of Government funding in relation to the prioritisation, delivery and promotion of the Code and other products published by RISSB.
- 3.3 This MoU replaces the MoU between the Australian and State Governments, as represented by TISOC and RISSB dated 3 September 2013.

#### **4 Purpose of Standards**

- 4.1 The purpose of developing a set of nationally consistent operational and management standards for the Australian rail industry is to:
- 4.1.1 improve the management of risk;
  - 4.1.2 assist rail operators to address risks to safety so far as is reasonably practicable (SFAIRP);
  - 4.1.3 provide rail operators standards to assist in implementing good practice; and
  - 4.1.4 increase efficiency and productivity.
- 4.2 In the preparation of new or revised standards, RISSB will have regard to the following general principles:
- 4.2.1 standards should have clearly identifiable outcomes and aim to produce measurable improvements in safety and affordability;
  - 4.2.2 standards should aim to achieve greater interoperability and harmonisation; and
  - 4.2.3 standards should reflect industry and Government priorities.

**Note:**

For the purposes of this MoU, the meaning of SFAIRP should be taken from 'Meaning of Duty to Ensure Safety So Far As Is Reasonably Practicable Guideline' published on the ONRSR website.

#### **5 Strategic Plan 2017-2022**

- 5.1 RISSB will implement its Strategic Plan. To achieve its Mission and Vision and meet its objectives in the Constitution over the next five years, RISSB will build on the six strategic pillars in the Strategic Plan.
- 5.2 Governments will be stakeholders in the update of the Strategic Plan, which will occur every two years.

#### **6 Work Plan**

- 6.1 RISSB will publish a work plan on its website by 30 June each year, for the following financial year. The work plan will set out which projects RISSB is proposing to undertake over the course of the next 12 months.
- 6.2 Each item on the work plan must include brief supporting information which outlines:
- 6.2.1 the outcomes (in terms of safety and affordability) the standard is intended to achieve; and
  - 6.2.2 the level of interoperability and harmonisation that is likely to be achieved by the item.

- 6.3 In order to ensure priorities for standards development are evidence based, RISSB agrees to document its priority setting process.
- 6.4 RISSB will consult and engage with representatives from industry, Governments, the ONRSR and the Australian Transport Safety Bureau in the development of its work plan.
- 6.5 The RISSB Board will have the final say in determining the work plan.

## **7 Standards Justification Process**

- 7.1 RISSB agrees that as part of the standards development process it will provide a justification at the beginning of each standard which:
  - 7.1.1 outlines what hazards or available quantum of risk the standard is aimed at addressing;
  - 7.1.2 outlines what is acceptable good practice;
  - 7.1.3 identifies the safety benefit and costs associated with the adoption of the standard; and
  - 7.1.4 explains how the standard achieves greater interoperability and harmonisation.

## **8 Take up surveys**

- 8.1 In order to gauge the take up of, and benefits realised from RISSB products in the longer term, RISSB will conduct industry surveys to seek feedback from operators regarding actual implementation.
- 8.2 RISSB agrees to provide the results of the evaluations/surveys to jurisdictions and the ONRSR as part of its bi-annual performance reporting requirements.

### **NOTE:**

Clauses 7 and 8 are intended to link standards development and implementation with measurable improvements in safety.

Measuring take-up is difficult as not all standards are applicable to all operators and industry bodies. RISSB will introduce a normalised measure to ensure that relevant weighting is given to small operators as opposed to larger operators as agreed with the National Rail Coordination Group. This is an important step towards getting meaningful data from these industry surveys.

## **9 RISSB and Government Co-operation**

- 9.1 Governments will work through existing TISOC national rail reform processes and working groups to manage the relationship with RISSB under the MoU. These groups may consider: funding, ensuring that Government priorities are appropriately reflected in the RISSB products that are developed with Government funding and how best to provide strategic input regarding the adoption of standards by the rail industry. It is not intended that these groups will provide technical input or review individual standards.
- 9.2 RISSB will contribute to the national rail reform process with Governments and industry and may join working groups to implement reform.

- 9.3 Government will influence the development of RISSB products, through
- 9.3.1 the annual on-line RISSB Priority Planning Forum;
  - 9.3.2 Government stakeholder attendance at the RISSB Strategic Development planning process that occurs every two years; and
  - 9.3.3 meetings between Governments and RISSB, as required.

## **10 Commitments by Governments**

- 10.1 In signing this MoU, Governments:
- 10.1.1 commit to support the development of nationally consistent operational and management standards to improve safety outcomes and enhance efficiency on the Australian rail network;
  - 10.1.2 encourage the take up of RISSB standards by rail industry;
  - 10.1.3 agree to provide additional, reasonable in-kind assistance to RISSB where possible and where appropriate; and
  - 10.1.4 provide advice to the rail industry in order to encourage the continuing improvement of the Australian Rail Risk Model (ARRM), a national safety incident database and a national safety data collection framework.

## **11 Funding Support**

- 11.1 The Governments represented by TIC agree to support RISSB in the prioritisation, delivery and promotion of standards aimed to improve interoperability and harmonisation in the Australian rail industry.
- 11.2 RISSB shall receive funding support from the Governments of up to \$1.63 million per annum subject to cash contributions from the rail industry at least to the value of this amount.
- 11.3 RISSB will invoice Governments for their annual contributions as stated in Clause 11.4 in May each year. The invoice will be in arrears and will be for RISSB services and products delivered for the current financial year.
- 11.4 The share of Government annual contributions to RISSB funding is as follows:

Commonwealth	\$440,640
New South Wales	\$440,640
Victoria	\$326,400
Queensland	\$203,347
Western Australia	\$105,427
South Australia	\$81,600
Tasmania	\$22,195
Northern Territory	\$11,751
<b>Total (excluding GST)</b>	<b>\$1,632,000</b>
<b>GST</b>	<b>\$163,200</b>
<b>Total (including GST)</b>	<b>\$1,795,200</b>

## **12 Performance Reporting**

- 12.1 RISSB agrees to provide Governments with bi-annual reports in October and April each year. The reports will cover the six months ending in September and March. The report outlines the progress of RISSB delivering on its work plan.
- 12.2 The bi-annual reports will address the following:
  - 12.2.1 RISSB's Progress against the work plan;
  - 12.2.2 Budget by work category;
  - 12.2.3 Industry and Government cash and in-kind contributions received;
  - 12.2.4 Engagement with industry on the development, promotion and implementation of Standards; and
  - 12.2.5 Any issues (or points of interest) relevant to the MoU or the Governments.
- 12.3 If the report is approved, Governments agree to provide annual funds to RISSB in May each year.
- 12.4 Governments agree to pay within 30 days of receipt of an invoice. Payments shall be inclusive of GST.

## **13 Annual Reporting**

- 13.1 RISSB agrees to provide a copy of its Annual Report , which contains its audited financial report, to Governments as soon as possible after the end of each financial year.

## **14 Australian Rail Risk Model (ARRM)**

- 14.1 Governments and RISSB will continue to work with industry to enhance the collection and compilation of safety incident data to support the ARRM.

## **15 Review of MoU**

- 15.1 Governments, in consultation with RISSB, will undertake a review of the MoU within 3 years of the commencement date.
- 15.2 The Review will take into account the effectiveness of the MoU in delivering on the objectives outlined at 4.2.
- 15.3 The outcome of the review will be provided to TISOC for consideration on the merits of continuing under the current MoU.

## **16 Amendments**

- 16.1 This MoU may be amended or renewed with the agreement in writing by both parties.

**17 Commencement, Duration and Termination**

- 17.1 This MoU shall operate from the date of its execution and covers the period of funding for financial years 2018/19 – 2022/23 inclusive.
- 17.2 Either of the Parties may seek to terminate this MoU with at least 30 days written notice specifying the reasons for termination. However, neither of the Parties will issue a written notice to terminate until there has been consultation between the Parties concerning reasons for termination.

Signed on *7<sup>th</sup> November* .....2018

By:



**Dr Steven Kennedy PSM  
Chair  
Transport and Infrastructure  
Senior Officials' Committee**



**Mr Paul Daly  
Chief Executive Officer  
Rail Industry Safety and  
Standards Board**