PREVENTING DEATH ON THE ROAD

Applying the NLSC code
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NLSC Chain of Responsibility - context
COR - designed to prevent death on the road

- Chain of Responsibility (CoR) is Part of the Heavy Vehicle National Law, CoR requires **all parties** responsible for a truck travelling on the road to **proactively** prevent breaches of the law relating to speeding, fatigue, mass and dimension management, dangerous goods and load restraint.

  Said otherwise, *to make sure trucks travel safely, specifically in relation to the top causes of accidents.*

**Customers Now Being Charged Under CoR**

NSW published statistics on Chain of Responsibility (CoR) detail that over 800 of the 5200 parties prosecuted under have been Consignors or Consignees.

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19th August 2015
COR Newsletter
Responsibilities - from A to B... 17 parties!

All parties held responsible for on road breaches
During the 12 months to the end of March 2015, 220 people died from 188 fatal crashes involving heavy trucks or buses. These included:

- 113 deaths from 95 crashes involving articulated trucks,
- 87 deaths from 77 crashes involving heavy rigid trucks,
- 22 deaths from 18 crashes involving buses.

Road freight estimates and forecasts by interstate (sum of ‘from’, ‘to’ and ‘through’), capital cities and rest of state, Australia, 1972–2030

Note: From 1972 to 2007, estimates; while from 2008–30, forecasts.
Source: BITRE estimates.
What are our responsibilities?

- **Dimension and Mass Management of freight on any journey leg**
  - Load plan generated in line with vehicle dimensions and vehicle and axle weight limits
  - Vehicle loaded correctly
  - Checks on inbound and outbound vehicles

- **Speed on any journey**
  - Engage partners with speed management policy & plan – and technology to determine breach
  - Scheduled with adequate lead times to safely and compliantly complete journeys

- **Driver fatigue**
  - Realistic scheduling inbound and outbound volumes in line with operational capacity
  - Management of operational resources to ensure compliant turnaround (RLSC)
  - Delay notifications – to allow Drivers the opportunity to rest or call for a replacement
  - Providing Driver amenities

- **Load restraint**
  - Ensuring inbound loads have adequate load restraint upon arrival
  - Ensuring outbound loads have adequate load restraint – including departing inbound vehicles
  - Auditing that we and our partners within the supply chain are compliant in load restraint

Auditing and acting on non-compliance – inbound, outbound and our Carrier partners
Origin to destination – requires collaboration

Leg A and Leg B

SPEED  TIRED DRIVERS  WEIGHT & DIMENSION  LOAD RESTRAINT
People, processes and systems......

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<th>Risk</th>
<th>Speeding</th>
<th>Driver fatigue</th>
<th>Weight / dims</th>
<th>Load restraint</th>
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Metcash recognised very early that productivity, efficiency and safety of the freight logistics industry are intertwined and collectively achievable.

The COR audit matrix brings together other accreditations schemes and ensures uniformity across Metcash operations.

Places ‘Will Call’ carriers on a level playing field.

Forum for Transport partners in other states to share key learning's, control measures and best practice.

More stringent subcontractor selection criteria reduced subcontractor churn.

Improved communication and common objectives improved workflows through the DC to the despatch area. when combined with cooperation of retailers

- Reduction in 2 prime movers,
- Reduction of 3 trailers
- Reduction of 1 rigid vehicles
- Reduction in 2800 man hours

Combined annual savings of $392,00 PA in Victorian & SA Transport Costs.
Strengthening the COR at Metcash
Metcash key responsibilities - summary

Obvious responsibilities in relation to Driver fatigue and safe loads:

1. Minimise time vehicle is at a Distribution Centre (inbound & outbound)
2. Driver facilities and capture time on site, with notification of delays – to maximise rest
3. Ensure the vehicle we load is not carrying too much (weight and dimensions)
4. Ensure the contents are adequately “restrained” on outbound

Less obvious / implied responsibilities:

- Check the vehicle did not break the speed limit on the way to us
- Check our outbound vehicles do not break the speed limit on the way to their destination
- Check the inbound Driver’s diary to see if they have had adequate breaks
- Look for signs of the Driver appearing to be fatigued
- Verify loads are adequately restrained when they arrive on site
- Verify loads are adequately restrained when exiting the site, if there is a balance remaining on the truck when we are unloading
- Prove we do what we say we do…. demonstrate compliance
- Work with partners to ensure compliance to logbooks and speed management controls
- Require partners have safe trip plans for long distance legs
The process and systems

1. Selected the ‘best practice’ site
2. Process mapped end-to-end, for inbound and outbound loads
3. Captured ‘key controls’ – plus a series of supplementary controls
4. Nominated a champion for each DC and formed a working group comprising Logistics Operations, IT, Demand Planning, Risk and Compliance
5. Carried out a comparison to the process map for each site – capturing additional controls / processes and gaps
6. Working Group workshop – agreement to key controls, capture of system and process issues and enhancements
The people

- Engaged a wide range of key stakeholders
  - Executive Group
  - Audit Committee
  - Business Assurance and CoR Manager
  - Logistics corporate team
  - Logistics DC management teams
  - Merchandise senior team
  - Business State Leadership Team
  - Transportation partners

- Linda to each Site – 2 days
  - Discussion workshop with Managers and Supervisors on ‘gaps’ and ‘overs’ and any questions / issues
  - Focus group workshops with Gatehouse, Loaders and Receiving / Checkers
  - Engagement of local transportation partners
Issues raised:

- Receiving schedule not achievable
- ‘we load up the receiving schedule in the morning as the DC seems to be slow in the afternoon…..’
- Not enough equipment for load support and load restraint
- Drivers collecting loads are aggressive – asking for additional product to be added to the load
Unfortunately, we have had a load come in this morning on your transport carrier xxxxxxxxxx, driver xxx xxxxxx, rego xxxxxx, which did not have any load restraints on his delivery – PO xxxx.

This is against Transport Regulations including Safe Load Guidelines and Metcash’s Transport Safety System. The driver has been spoken to and made aware of his breach.

Please forward this information to whom ever is responsible for out-bounding the freight and going forward, if we see that this breach is consistent, we may take further action which may include a report to the RMS.

We will save this event in our transport system for future reference.
Thank you for informing us of this incident of lack of load restraint. Rest assured we will take this seriously and take necessary steps/action to avoid future happenings. I am copying our lead on transport and logistics on this email for her directions and drive to communicate this with our service provider.

Thank you for bringing this (absence of load restraint) to our attention. We take this very seriously and have made enquiries to our Carrier as to what happened. I will come back to you ASAP.

Thank you for your feedback. I will investigate as to why we were 120kgs excess on the steer axle
Looking forward – what next?

- Continually monitoring and providing feedback on our performance internally and with partners
- Seeking areas of best practice – leveraging across the partners
- With Vendor base, integrate master data to improve load plans
- Internal collaboration to improve forecast visibility and optimise inbound receiving schedule adherence
- Investigating further functionality of ‘Yard and Dock’ system to improve inbound scheduling of different load types e.g. multiple PO/Load
- Engagement of our carriers in an internal audit program
- Engagement of the retail store to understand their COR responsibilities
- Greater collaboration with State governing bodies and NHVR to continue to drive improvements in our own supply chain as well as the industry / retail logistics sector
Questions
THANK YOU
Appendix
The key controls – a risk-based approach

- **C1** – on-site DC Induction is provided and signed off by every driver – a pre-condition of entry.

- **C2** – Gate House staff engage interstate drivers to identify incidents of insufficient hours to complete unloading in order to manage driver fatigue. Interstate trucks are always allowed on site to mitigate impacts of any driver fatigue. Should insufficient hours be identified, the driver is directed to the Waiting Bay and the driver’s employer is contacted to send a relief driver to affect the unloading and pick up the fatigue affected driver. The exception is recorded in Yard & Dock in the “comments” section by Gate House staff.

- **C3** – appointment time and date is checked at the Gate House to mitigate delays in the receiving process. Any exceptions (+/- >30 mins from the appointment) identified are communicated to the receiving team for a decision.

- **C4** – inadequate load restraint, if identified by the receiver, is escalated to Inbound Supervisor. The communication is recorded in the Yard & Dock system and the haulier, Stock Control and the supplier are notified.

- **C5** – A minimum of 3 Inbound loads a day are randomly checked to ensure compliance of GVM and Axle weight

- **C6** – load restraint is checked at the dock by the receiver, if they are present prior to the driver unstrapping/unrestraining the load. The checking conducted is recorded in the GIS Sheet and Process Compliance Check Sheet.

- **C7** – in the event any product remains on the load after our assignment is unloaded, the receiver must ensure adequate load support (shrink wrap) for any returned stock.

- **C8** – the driver provides load restraint - **C9** the loader provides load support (e.g. A-frames and boards)

- **C10** – the driver provides load restraint (per the Load Restraint matrix, according to vehicle type) before leaving the dock. **New Initiative:** a stamp is placed on the Loading/Pallet Recap Report for both the driver and loader to sign to confirm adequate load restraint is provided.

- **C11** – the driver is directed to the weighbridge and presents the ticket to the Gatehouse prior to departure

- **C12** - Gate House staff observes the load restraint when the truck departs. Any load restraints issues detected are notified to the driver for DCs or the driver to fix.
Supplementary controls

1. Any trucks on site for an excessive period are monitored in Yard & Dock. **New Initiative:** Suppliers are notified via email for any exceptions identified and the Gate House record the remediation actions captured in Yard & Dock.

2. In the event a truck is in the Waiting Bay for more than 30 minutes from the arrival time, the driver is notified automatically via the electronic pager of a delay from Yard & Dock system. If further delays are experienced, a manual message is sent via the pager and an email notification to key stakeholders.

3. **New Initiative** Gate House staff observe the load restraint when the truck arrives onsite. The observation conducted is from the external of the truck. Any load restraints issues detected are notified to the driver and the supplier (email) and recorded in the Yard & Dock system.

4. In addition to checks that the receiving team carry out, the Inbound Supervisor will monitor the Site receivers to ensure the GIS checks are being carried out. The Inbound Supervisor will carry out a minimum of 5 checks per Pillar. **New Initiative:** The checks are documented in Process Compliance Check Sheet.

5. The Gate House staff perform random load restraint checks for trucks in the waiting bay. **New Initiative:** minimum of five checks to be conducted for load restraint in the waiting bay on daily basis. The checks conducted are documented in Process Compliance Check Sheet.

6. **New Initiative:** refresher training for Load Restraint, including photo references of correct load restraint has been conducted. The Risk and Compliance Manager will conduct routine audits and provide additional training as required.

7. **New Initiative:** The Haulier has provided additional pogo-sticks to ensure adequate load restraint equipment is available as required. Drivers are to sign out the number of pogo-sticks required to restrain the load. Both the Driver and Loader sign off to indicate: “adequate / inadequate / not checked”. This is to ensure each outbound load has been checked for load restraint.

8. **New Initiative:** the Dock Scheduling Co-ordinator performs random checks (10 trucks per day) on load restraint before trucks leave the site. It is documented in Outbound Load Restraint Check Sheet and entered in to Yard and Dock.

9. **New Initiative:** for outbound vehicles, the supervisors are required to conduct two random load restraint checks per week. The checks conducted are documented in Process Compliance Check Sheet and entered in to Yard and Dock.

10. **New Initiative:** a letter relating to the Haulier obligation to comply with the Heavy Vehicle National Law (HVNL) will be sent out to the suppliers and transport companies to reinforce the CoR obligations.

11. Weekly management reviews of the Yard & Dock summary report are undertaken to monitor the CoR Compliance.