

EXECUTIVE SUMMARY

The Special Commission of Inquiry (SCOI) into the Waterfall Rail Accident released its Final Report on 17 January 2005. In accordance with the Commission's recommendations, the NSW Government agreed that the Independent Transport Safety and Reliability Regulator (ITSRR) should report quarterly on implementation progress. This is the fourth Quarterly Report. It outlines progress made between 1 October 2005 and 31 December 2005.

Implementation Summary

Substantial implementation progress was made during the quarter with significant numbers of recommendations nominated for closure by agencies or verified and closed by ITSRR:

- Agencies nominated 38 (21%) recommendations for closure;
- ITSRR validated and closed out a further 27 (15%) recommendations (14 RailCorp, 5 OTSI, 1 RailCorp and Emergency Services and 7 ITSRR); and
- Target dates for implementation of accepted recommendations remain on schedule, except for 5 (3%) recommendations.

The five recommendations (detailed on page 13) that slipped do not pose safety risks to the NSW travelling public or present any immediate concerns for ITSRR. The slippages in timeframes are minor and the recommendations largely concern governance and legal matters which are scheduled for completion for the most part by the end of March 2006.

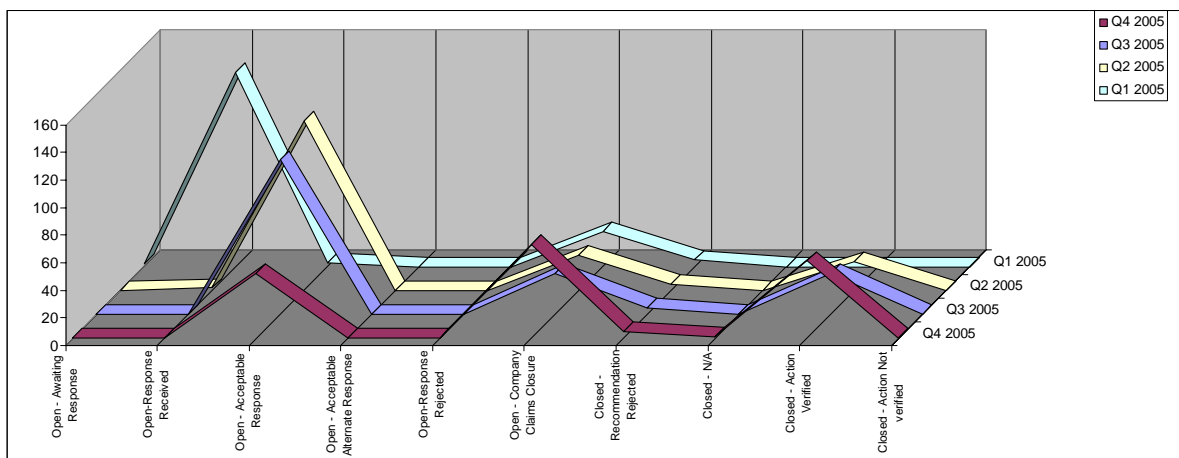
At the end of the reporting period, the cumulative implementation progress to date for all 177 recommendations (including 127 recommendations and 50 sub-elements) was as follows:

- 62 (35%) recommendations verified and closed¹;
- A further 68 recommendations (38%) are currently claimed for closure by agencies and are being verified by ITSRR;
- A further 26 (15%) recommendations are due for completion by the end of 2006;
- 1 (0.5%) recommendation (the introduction of national communications technical standards) will be implemented by 2010 (unchanged from last quarter);
- 20 (11.5%) recommendations referred to the National Transport Commission (NTC) have revised implementation timeframes based on advice from the NTC.

This brings the total number of recommendations currently closed or claimed by agencies to be closed (but yet to be verified by ITSRR) to 130 or 73% of all recommendations. A further 26 recommendations are due to be implemented during 2006, bringing the total number due for completion by the end of 2006 to 156 or 88%. The remaining 21 relate to standards redevelopment and design issues.

The current status of all of the safety actions, compared to their status in the previous quarters, is summarised below:

GRAPH 1: PROGRESSIVE STATUS ALL RECOMMENDATIONS BY QUARTER



¹ including 5 that were rejected by the NSW Government and 1 which is no longer applicable

As time progresses, it is expected that the peak will shift along the x-axis until all recommendations are closed.

Quarterly Progress

The major areas of activity during the quarter include:

- Incident response and emergency management with the introduction of new procedures and plans, including regular training programs;
- The implementation of new safety management systems and risk management processes;
- Improved reporting procedures for train defects; and
- Training programs across a range of areas.

Recommendations Verified and Closed

In the reporting period, ITSRR verified and closed 27 recommendations. Fourteen of these were the responsibility of RailCorp. They included:

- Designation of a staff member in the Rail Management Centre as rail emergency management co-ordinator (Recommendation 3);
- Development and implementation of a comprehensive Incident Management Framework outlining command and control procedures for rail emergencies (Recommendations 11, 12, 13, 14, 16, 17, and 22);
- Training of all rail employees to commence any emergency communication with the words, “Emergency, Emergency, Emergency” (Recommendation 26);
- Selection of Rail Management Centre communications staff on the basis of ability to convey information clearly, accurately and concisely and to follow strict communications protocols (Recommendation 40);

- Integration of reporting, recording and rectification of defects into RailCorp's maintenance regime for both the electric and diesel fleets (Recommendation 47);
- Incorporation of a standard for determining when a train is permitted to enter and remain in service into RailCorp's Train Operations Manual (Recommendation 49);
- Integration of the analysis of public safety risks into RailCorp's risk management framework, (Recommendation 87); and
- Establishing that RailCorp's Safety Management System (SMS) is compatible with the 29 elements for an SMS recommended by the SCOI (Recommendation 123).

Seven recommendations were the responsibility of ITSRR. They included:

- ITSRR has established as part of its auditing and compliance role processes to ensure that RailCorp and other accredited operators have internal processes in place to audit and monitor compliance with communications protocols (Recommendation 41,42, and 44);
- Integration of specified criteria into ITSRR's accredited rail organisations audit program for compliance with communication protocols (Recommendation 45);
- Implementation of ITSRR's electronic document management system (Recommendation 76);
- Introduction of a Memorandum of Understanding (MOU) between OTSI and ITSRR (Recommendation 80); and

- Establishment of a process to ensure the on-going monitoring and improvement of Railcorp's revised SMS (Recommendations 124).

Five recommendations were the responsibility of OTSI. They included:

- Ensuring there is no legislative impediment to the Australian Transport Safety Bureau (ATSB) conducting investigations on the Defined Interstate Rail Network (DIRN) in NSW at the request of the NSW Government, supported by a Memorandum of Understanding (MoU) with the ATSB (Recommendations 72-74);
- Ensuring that legislative provisions in the *Rail Safety Act 2002* facilitate the delivery of OTSI reports to ITSRR and the Minister (Recommendation 81); and
- Recommendation 82 became classified as "Closed No Longer Applicable" as a result of legislative changes which established OTSI as an independent government agency. As such, it is inappropriate for OTSI's reports to be statutorily subject to review by a Federal agency. (Recommendation 82).

One recommendation was the joint responsibility of RailCorp and Emergency Services:

- Establishing a schedule of field training exercises for RailCorp and Emergency Services to ensure that the incident command system and rail emergency response plan are able to be fully implemented as quickly as possible and are reviewed and improved as appropriate (Recommendation 24).

Recommendations Claimed for Closure (and being verified)

At the end of the reporting period, 68 recommendations including sub-elements were claimed for closure (67 by RailCorp and 1 by ITSRR). These include:

- Procedures to ensure immediate isolation of electrical power supply to the area of an accident (Recommendations 6 and 25);
- Existence of a suitable inspection, fault rectification and maintenance plan for signal telephones which includes: processes for reporting faults; responding to faults; and conducting preventative maintenance. (Recommendation 8);
- Development and implementation of an emergency response plan for management of all rail accidents with appropriate training as well as development of action emergency checklists (Recommendations 10, 18, and 19);
- Implementation of a Safety Risk Management Framework (Recommendation 34 a-h);
- Implementation of effective procedures to ensure recording in a data base of all train drivers' defects reports and tracking of these to finalisation (Recommendation 48);
- Development of suitable processes to ensure train integrity prior to a train entering into service (Recommendation 53);
- Establishment of a safety document management system and distribution of material to RailCorp staff (Recommendations 58 and 59);
- Completion of a review of recommendations 1-7 from the Glenbrook SCOI Report. (Recommendation 65);

- Introduction of interactive simulator training for RailCorp's guards and drivers in circumstances such as passing signals at stop or trespassers in the rail corridor (Recommendations 66 and 67);
- Introduction of a training program for train drivers and guards which encourages teamwork and discourages authority gradients (Recommendation 68);
- Preparation by RailCorp of a safety culture plan which incorporates SCOI recommendations and subsequent review by ITSRR (Recommendations 83 (a) - (n) and 84);
- Establishment of an integrated SMS which also incorporates management of RailCorp's occupational health and safety risks (Recommendations 85 and 86);
- Introduction of a training program for all of RailCorp's operational personnel in the location and operation of the external emergency door release mechanism (Recommendation 96);
- A program whereby Level 2 Managers in RailCorp obtain formal qualifications in System Safety Management which are also reflected in amended position descriptions. (Recommendation 102);
- Implementation of an external auditing program that reports to RailCorp's Management Board on the effectiveness of its integrated safety management system and on safety performance generally (Recommendation 104);
- Implementation of RailCorp's safety management system, including adequate systems for risk assessment, clearly defined safety responsibilities and accountabilities for persons holding management positions, and specific performance criteria against which evaluations can

be made of safety performance and accountability for safety performance of all manager (Recommendation 105);

- Conduct of a full review of the safety competence of RailCorp managers to ensure that each has the ability to bring about those safety reforms recommended in this Report which are applicable to his or her position. (Recommendation 106);
- Introduction of an internal and external audit program to evaluate the adequacy of RailCorp's safety management system and to ensure that any risk control measures are effective (Recommendation 108);
- Appointment of a Safety Reform Program Director to manage safety reform being undertaken by RailCorp (Recommendation 110 a – e); and
- Incorporation of SCOI recommendations into RailCorp's Safety Management System (SMS) (Recommendation 122 a - f).

Slippage

During the reporting period, five recommendations were not implemented by their scheduled target date. In ITSRR's view these slippages do not pose any increased safety risks to the NSW travelling public. The slippages in timeframes are minor and the recommendations, which are scheduled for completion for the most part by the end of March 2006, have been substantially progressed. The recommendations that slipped are in the following areas:

ITSRR recommendations

- A second engineering defence installed on all NSW trains: - RailCorp has already installed a second engineering defence (vigilance) in all of its passenger trains. ITSRR planned to complete a review by December 2005 into whether further defences might be required in other rollingstock on the NSW network. ITSRR has commissioned reports on engineering defences protecting against driver incapacitation from a qualitative, quantitative and

international perspective. These have been completed and ITSRR expects to complete its review of the reports by the end of January 2006 (a slippage of one month). (Recommendation 31);

- Development of a guideline by ITSRR outlining which accidents and/or incidents require mandatory drug and alcohol testing:- ITSRR released proposals for industry comment on 23 December 2005 with comments expected by 17 February 2006. Existing Drug and Alcohol (D&A) Guidelines enable operators to conduct post-incident D&A testing but do not explicitly require it. It is anticipated that the guideline will be completed by 30 April 2006 (a slippage of four months) (Recommendation 55); and
- Introduction of a criminal offence and significant penalties for tampering or improper use of emergency door releases: - ITSRR received legal advice that existing provisions within the General Rail Safety Regulation imposing a criminal offence and 50 penalty units (1 penalty unit = \$110) address the recommendation. ITSRR is obtaining further advice as to whether this penalty is sufficient. This determination will be made by 30 March 2006 (a slippage of three months). However, if legislative changes are required to increase the penalty then additional time will be allocated to complete this recommendation (Recommendation 94).

RailCorp recommendations

- Completion of a training program for CountryLink passenger service staff in the use of MetroNet radio in an emergency. RailCorp has advised ITSRR that it will now complete training of all of its CountryLink staff by the end of January 2006 (a slippage of three months) (Recommendation 5); and
- Establishment of safety accountability statements for all management positions. RailCorp has advised ITSRR that the approach it had taken to the introduction of safety accountabilities was not sustainable, that a revised approach is to be adopted and, as a result, the introduction of safety accountability statements will now be completed by the end of March 2006 (a slippage of three months) (Recommendation 103).