

## 1. Introduction Contents

1.	Introduction	
	Objectives of vehicle certification	3
	Objectives of the Performance Review System (PRS)	3
	How the PRS works	3
	How the parts of the PRS fit together	5
	How VCU reviewers will use the PRS	5
	Use the PRS to improve your performance	5
	Benefits of good performance	5
	Penalties for poor performance	6
	Enforcement action	6
	The final sanction	6
	Working together in partnership	6
	PRS – Scores and actions table	7
	This manual	8



# 1. Introduction

## Objectives of vehicle certification

Vehicle certification is about ensuring that vehicles used on New Zealand's roads meet the roadworthiness requirements defined in New Zealand law – when they enter the fleet and throughout their on-road lives.

## Objectives of the Performance Review System (PRS)

The LTSA's goal is safety at reasonable cost to the nation. To meet this, everyone involved in vehicle certification must apply the requirements set out in law accurately and consistently.

The PRS is a tool developed by the LTSA for all certifiers. It is intended to:

- focus on issues important to road safety
- be open and transparent in reviewing the performance of certifiers
- provide a level playing field, as it applies equally to all types of certifiers, large and small
- be easy to understand and use
- allow certifiers to measure their own performance in exactly the same way as the LTSA during a review
- allow and encourage certifiers to identify problems and opportunities to improve so they can take early action on their own initiative
- identify certifiers that perform well so they can be given incentives to maintain their performance and look for ways of continuously improving it
- identify certifiers that perform poorly so they can be encouraged through more frequent reviews to improve their performance.

## How the PRS works

The PRS clearly sets out:

- what is expected of certifiers
- the way the LTSA will assess certifiers' performance against these expectations
- a scoring system that enables certifiers' performance to be measured.

The PRS is made up of two parts:

1. Main Part      This identifies five general categories that are important for all types of certification work.
2. Technical Part      The Technical Part differs for each type of certification work. For example, for heavy vehicle specialist certification, the categories of the Technical Part follow the items set out in the Vehicle Inspection Requirements Manual (VIRM) – Heavy Vehicle Specialist Certification.

The Main Part measures how well certifiers perform in complying with all legal requirements (including LTSA requirements) relating to vehicle certification. It does this by measuring performance in five categories:

- |                            |   |
|----------------------------|---|
| 1. Certification outcomes  | Do certifiers identify vehicles or components correctly, do they make correct technical decisions, and do they certify those vehicles and components correctly?                             |
| 2. Competence              | Are certifiers competent in all technical and administrative aspects of their certification work?   |
| 3. Resources               | Do certifiers have, or have access to, the right resources for their certification work, e.g. the right facilities and equipment?   |
| 4. Management              | Do certifiers properly manage the parts of their operations that support their certification work, e.g. do they make sure that the resources they delegate tasks to are properly qualified? |
| 5. Performance improvement | Do certifiers actively identify problems and opportunities to improve and take advantage of them? Do they regularly assess their own performance? Are they open to complaints?              |

Each category is made up of a number of elements that are relevant to the category. For example, the Resources category is made up of the following elements:

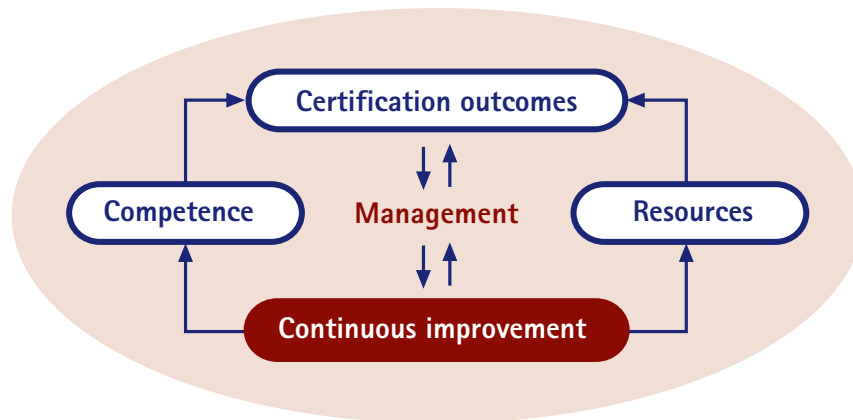
- Facilities
- Technical equipment
- Administrative equipment
- Technical information
- Controlled certification documents
- Certification staff.

Each category has a scoring sheet associated with it which provides performance descriptions, called *word pictures*, with corresponding scores for each element. Scores range from 0 to 3 and are allocated according to how well a certifier's performance matches the corresponding word pictures set out in the scoring sheets.

The Technical Part also has scoring sheets. The scores from these feed into the Main Part to produce a total score.

For some certifiers, for example SRT, only one category may be applicable.

## How the part of the PRS fit together



## How Vehicle Certification Unit (VCU) reviewers will use the PRS

During LTSA reviews, our reviewers will talk to you and your staff and observe you and your staff at work. Reviewers will see how well your performance matches the descriptions on the PRS scoring sheets and will score you accordingly. These will be combined into a total PRS score.

We will tell you the result for each area reviewed, and you will be able to use your PRS Manual so see how the score was calculated.

## Use the PRS to improve your performance

We encourage certifiers to use the PRS regularly to assess their own performance, and to identify problems and opportunities to improve.

There will be no hidden measurement or scoring systems. Reviewers will be encouraged to help you understand how the system works and how it can be used to help continuous improvement. Success for the VCU will be measured in higher performance scores – not in greater numbers of faults detected.

## Benefits of good performance

The VCU will reward good performance scores by reducing the frequency of planned review visits (see PRS Scores and actions table on page 7 of the Introduction section). This will save you money by reducing the cost of planned review fees. It will also reduce the disruption to your business caused by reviews.

## **Penalties for poor performance**

Poor performance scores will reduce the VCU's confidence in you as a certifier. Such scores will mean more planned review visits so that your performance can be more closely monitored (see PRS Scores and actions table on page 7 of the Introduction section). This will increase the cost to you in planned review fees and the disruption to your business caused by reviews. We hope this will encourage you to use the results of the PRS to improve your performance.

## **Enforcement action**

The PRS will be a powerful tool to enable the VCU to identify persistently poor performers. We are confident that most certifiers will respond positively to the PRS approach and use it to help improve their performance. When certifiers fail to respond positively and continue to perform poorly, this will be identified by PRS reviews. In these cases, the VCU will focus its enforcement and investigation resources on obtaining evidence of poor performance.

## **The final sanction**

Clear evidence of persistently unacceptable performance will lead to disciplinary action. If certifiers fail to respond to warnings and suspension action, evidence gained during reviews will be used to support the case for the withdrawal of their authorisation.

Road safety and the maintenance of a fair vehicle certification system demand firm and decisive action by the LTSA. When certifiers fail to carry out their responsibilities LTSA will act to remove their authorisation. This will be done in a fair and reasonable manner and decisions will be open to appeal.

## **Working together in partnership**

The VCU's aim is to work together with certifiers openly and transparently to achieve our goals of high standards of certification, leading to an improvement in road safety.

## PRS – Scores and actions table

Total score <sup>1</sup>	All <i>category</i> scores must be equal or higher than <sup>2</sup>	Action/result	Interval until next regular review	Comments
0.0	–			
0.1	–			
0.2	–			
0.3	–	<b>Suspension for up to 6 months.</b>  Full review required after the suspension period.		The total score from the full review after the suspension period must improve to at least 1.5, with no <i>category</i> scoring less than 1.00.
0.4	–			
0.5	–		–	
0.6	–			
0.7	–			
0.8	–			
0.9	–			
1.0	–	<b>Follow-up review (full review)</b> required within 2 months.		The total score from the follow-up review (full review) must improve to at least 1.5, with no <i>category</i> scoring less than 1.00. Otherwise a suspension of up to 6 months will apply.
1.1	–		–	
1.2	–			
1.3	–			
1.4	–			
1.5	1.00	<b>Follow-up review (spot review<sup>3</sup>)</b> required within 2 months for any element scored 1+ or less.	6 months	If <i>elements</i> scoring 1+ or less do not improve to 2- or higher after the follow-up review (spot review), the total score will be reduced by 0.2 points for each <i>element</i> not improved.  If, after the total score reduction, the total score is still 1.5 or higher, any <i>elements</i> still scoring 1+ or less will require a second follow-up review (spot review) within 2 months.  If there are still <i>elements</i> scoring 1+ or less after the second follow-up review (spot review), a full review will be required within 2 months.
1.6	1.10		7 months	
1.7	1.20		8 months	
1.8	1.30		9 months	
1.9	1.40		10 months	
2.0	1.50		12 months	
2.1	1.60		13 months	
2.2	1.70		15 months	
2.3	1.80		16 months	
2.4	1.90		17 months	
2.5			18 months	In order to achieve a total score of 2.5 or higher, each <i>element</i> score must be 2- or higher.  If any <i>element</i> scoring below 2-, in main part sections Performance Improvement, Certification Outcomes, Administrative Competence and Resources the actual total score becomes 2.4 (or less if footnote 1 applies).
2.6			19 months	
2.7	2.00	–	20 months	
2.8			22 months	
2.9			23 months	
3.0	2.70	–	24 months	In order to achieve a total score of 3.0, consistency must be demonstrated by a total score of 2.5 or higher in the last regular review. Otherwise the actual total score becomes 2.9.

1 A total score may be capped by low scores in important *elements*. See section 4, Scoring Sheets, for details.

2 If there are *category* scores that are lower than the minima specified for a particular total score, the actual total score becomes the score that matches the lowest *category* score.

3 Spot review in this context means a progress check on remedial action taken by a certifier in respect of one or more *elements* where serious problems have been identified, either by way of:

- a reviewer visit focussing on these *elements*, or
- if possible, a certifier providing documentary evidence to a reviewer, e.g. by mailing or faxing a *Training Record*.

## This Manual

This manual describes the PRS procedures that apply to **Heavy Vehicle Specialist Certifiers (HVS certifiers)**. It is the companion manual to the Vehicle Inspection Requirements Manual: Heavy Vehicle Specialist Certification (HVS VIRM).

The bulk of this manual will follow the layout and construction of the In-service PRS manual. Changes have been made to reflect the specialist nature of HVS certification and the specific adherence to the requirements set out in the HVS VIRM.

HVS certifiers are considered to be specialist Vehicle Inspectors and Inspecting Organisations by their Deed of Appointment. The requirements for different types of certifier will be applied as they fit. Manufacturer certifiers will be assessed in the context of their organisations. This means that the terms 'you' and 'he' will include the certifier and any staff to whom duties have been transferred or delegated.