



Terms of Reference and Governance Procedures

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1. Context

Australian governments are committed to an expected \$290 billion in public infrastructure investment over the next 10 years - including an approximate doubling of investment over the next three years. This will mean a wave of construction projects mostly relating to transport, utilities and social infrastructure. Many of these projects will be in cities, towns and urban areas.

As a direct result of this increase in construction activity, the number of Heavy Vehicle (HV) movements related to and in those project locations will also increase significantly.

Recognising that the movement of construction HVs in populated areas can present hazards for the community – particularly Vulnerable Road Users (VRU) – both State and Commonwealth governments seek to prioritise and promote the use of safer HVs, improved driver standards, more effective logistics planning and greater engagement with the community on road safety initiatives.

Construction Logistics and Community Safety – Australia (“CLOCS-A”) is a national voluntary Standard developed with the primary aim of managing the risks and impacts associated with a construction project’s on-road transport and logistics activities to improve community road safety.

This standard is the result of the collective effort of industry champions involved in construction projects and the supply chain.

Through the wider adoption of the CLOCS-A Standard across Australian construction projects and supply chains, it is expected that the risk of road trauma involving construction vehicles will be reduced and the efficiency of construction project logistics improved.

2. Overview

The CLOCS-A Standard has been developed to improve the safety of construction logistics in the community. It seeks to do so by:

- establishing minimum safety standards for HVs operating on construction projects
- establishing minimum HV driver training and competency standards
- establishing higher standards for haulage route assessment and logistics planning
- improving communication and levels of understanding around HV safety with the public.

The requirements of CLOCS-A have been developed by industry experts guided by the Safe System Principles underpinning National, State and Territory Vision Zero commitments of achieving no deaths or serious injuries on our road transport network. Key to the Safe System approach is creating a road transport system that is designed and interacts in a way that creates a high level of safety, by anticipating and accommodating human errors.

CLOCS-A provides a quality assurance mechanism that verifies whether relevant systems are in place to ensure that the expected CLOCS-A standard requirements are met.

Key stakeholders include:

Planning and Regulatory Authorities

Planning and Regulatory Authorities consist of government authorities responsible for approving construction projects to go ahead and issuing conditions as part of the approvals for the construction project to comply with. These typically include planning departments and Local Councils.

Clients and Developers

Clients and developers are responsible for commissioning and funding contracts to construction principal contractors to design and construct infrastructure or other building developments.

Construction Principal Contractors

Principal contractors are appointed by the client and are responsible for the project safety and the coordination of site activities during construction of the project. This including includes the planning and procurement of supplies goods and services that require construction HV deliveries movements to and from the project construction sites.

Transport Operators

Transport operators include any business or undertaking employed directly by the principal contractor that is responsible for controlling or directing the use of trucks and HVs to deliver to/from a construction site/development.

3. Goals

The primary goals of CLOCS-A are:

- zero road trauma between construction vehicles and the community
- increased productivity and efficiency
- fewer HV journeys
- improved air quality and reduced emissions
- reduced reputational risk.

4. Deliverables

1. Ensure CLOCS-A remains progressive and pragmatic in addressing shared challenges/ambition to ensuring the safe and efficient movement of construction vehicles.
2. Inform, approve and review progress of CLOCS-A strategies, policies and activities to ensure they remain appropriate and adequate to achieve the CLOCS-A purpose and objectives.
3. Be a credible and technically competent body to inform and approve significant changes to the CLOCS-A Standard and other CLOCS-A resources and where necessary and also provide specific authoritative advice/clarifications to other champions.
4. Maintain the integrity of the CLOCS-A programme including adjudicating on an organisation's CLOCS-A champion standard or arbitrate on any escalated complaints.
5. Oversee all significant procurement by the CLOCS-A program.
6. Ensure that the adoption of the CLOCS-A Standard by members is certified and maintained.
7. For clarity, all issues, decisions and dispute are first to be addressed and resolved by the CLOCS-A Secretariate – working under the authority of the Council. Some disputes, policy or matters will be deemed appropriate to be dealt with directly by the Council.¹

¹ See Section 6 – Governance.

5. Application

The CLOCS-A Standard shall be applied by stakeholders involved in the procurement and delivery of construction projects.

Clients shall specify whether the CLOCS-A Standard applies within contracts based on their assessment of risk and in accordance with any local authority requirements.

Queries regarding applicability at specific sites should be directed to, and dealt with, by the Client or Principal Contractor.

Unless otherwise stated, the Standard is:

- applicable to all sites, (projects) that require deliveries, collections or servicing by construction and logistic related vehicles over 4.5 tonnes gross vehicle mass during construction activities
- applicable to all frequent HV operations² and specifically construction and logistics vehicles over 4.5 tonnes gross vehicle mass servicing construction sites. This includes abnormal loads (including Over Size Over Mass categories) and engineering plant where practicable.

A client may specify within their own contracts if this Standard also applies to vehicles under 4.5 tonnes gross vehicle mass, but this should be clearly articulated and would not be considered in the scope of compliance with the CLOCS-A Standard. In such cases, the transport operator will agree with the client how compliance for this group of vehicles will be demonstrated.

All parties shall comply with the CLOCS-A Standard and maintain compliance to the Standard following receipt of accreditation to the CLOCS-A Standard.

The CLOCS-A Standard does not include all the necessary provisions of a contract. Users are responsible for its correct application.

6. Governance

It is envisaged that there will be a two (2) year period of development, consolidation and establishment towards a fully self-managed Not for Profit (NFP) organisation. Figure 1 outlines the two stage process. This is divided into Phases 1-6 and Phases 7-10.

At Stage 7 a review will determine if the Host Organisation / Advisory Council model is deemed the long term governance arrangement.

A decision at this point would be determined based on areas such as:

- Performance
- Efficiency
- Productivity
- Dispute
- Cost of operation.

² Frequent HV operations to a construction project are considered to include, but not limited to:

- the removal of demolition waste, construction waste or excavated spoil,
- all deliveries of concrete or pre-cast concrete segments,
- deliveries to site of plant, equipment or other construction materials,
- ancillary HV operations,
- any other HV movement by a business or transport operator making 6 or more round trips to a construction project's sites in a 12-month period.

For each project, implementers of the CLOCS-A Standard are responsible for making a reasonable determination about which HV transport activities fall within the scope of the CLOCS-A Standard.

6.1 Early Stages of Establishment

Stages 1-6 incorporates the establishment of the CLOCS-A. Once the Host Organisation has been appointed, an agreement would be required between NRSPP and the new Host Organisation which outlines all relationship details.

In the early stages of establishment (3-6 months), the Host Organisation could incorporate the roles and duties of the Executive Officer.

After establishment, the role of the Executive Officer may either be part of the Host Organisation or be engaged as a separate role. This would need to be determined depending on the Host Organisation and its appropriateness to undertake the Executive Officer's duties.

A consolidation Subcommittee be created to assist the Host Organisation in establishing CLOCS-A.

6.2 Consolidation of CLOCS-A

Once CLOCS -A has completed initial establishment, a review will determine if the Host Organisation model continues for the longer term. Should it be recommended that CLOCS-A move to a NFP model, Stage 7-10 will commence.

Figure 1 Ten phase - Transition period and alternative governance structure

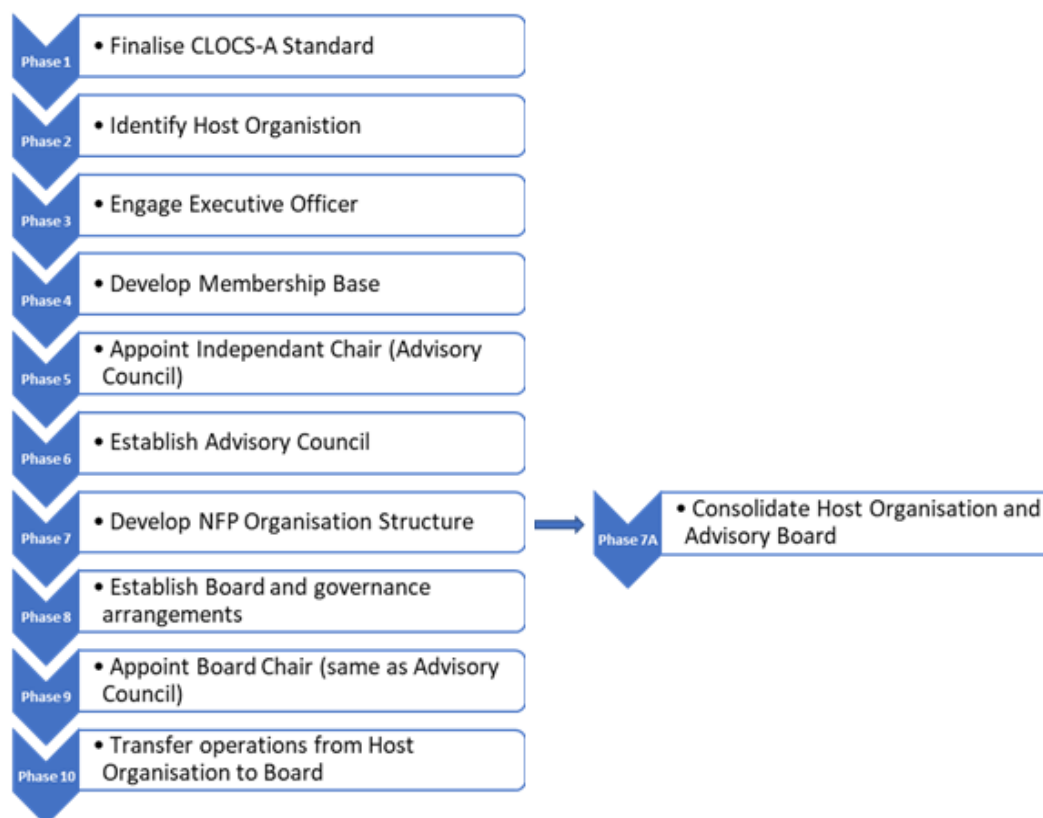


Figure 2 and Figure 3 on the next page illustrates the interim governance structure up until the review at Stage 7 as discussed in 6.1 and 6.2.

During these stages, it will become clear what's resources are required to administer CLOCS-A. Depending on duties this could be part time to full time. There will also be a requirement for administration support.

Figure 2 Interim Governance Structure of CLOCS-A (until Stage 7 Review)

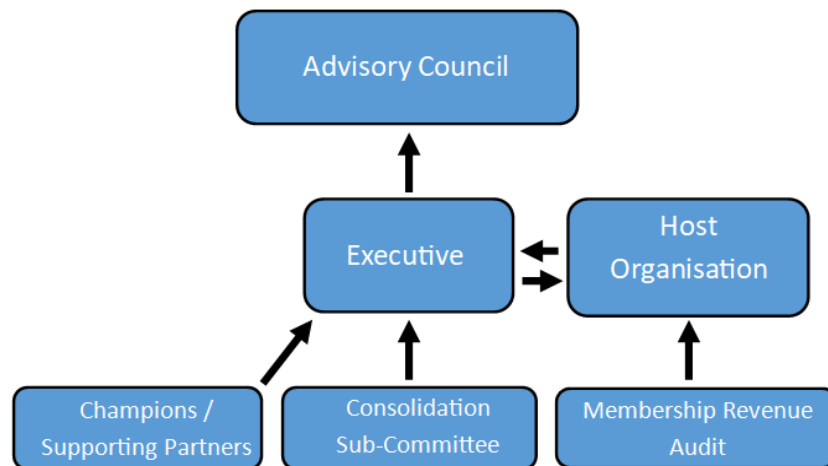
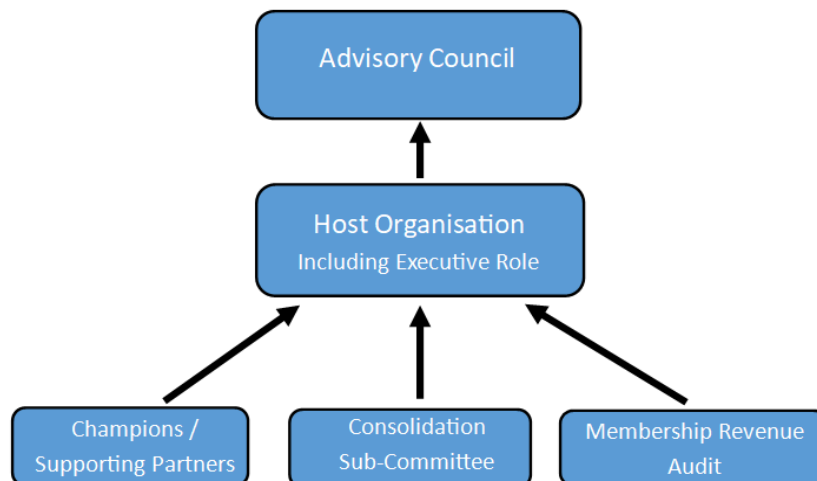


Figure 3 Interim Governance Structure with Executive role incorporated into Host Organisation



6.3 Advisory Governance

The Advisory Council composition shall be:

1	Major generator of contract (Government)
2	Major generator of contract (Industry)
3	Contractor deliverer
4	Contractor of deliverer
5	Transport Provider (large)
6	Transport Provider (small)
7	VRU Association
8	Executive Officer (non-voting Secretary)
9	NRSP Representative (non-voting)

Positions on the Advisory Council will be annually elected.

Appointed members can re-nominate each year for a maximum of (3) three years.

The Chair and Deputy Chair are elected from the Advisory Council.

6.4 Operating Procedure for Advisory Council ³

- Council meetings shall take place three (3) times per year (March; July; November).
- The November meeting will also include the Annual General Meeting (AGM).
- A quorum will constitute five (5) members of the Council and the Independent Chair.
- The Council Secretary role shall be the Executive Officer.
- All motions will be carried by a simple majority of voting members at any given meeting.
- Members are to provide a proxy delegate should the primary delegate not be able to attend.
- If a standing member resigns at any time, a replacement representative from the same organisation will be required to fill the vacancy for the remainder of the term of that organisation. This may be the proxy at which a new proxy will need to be identified.
- Should an industry organisation wish to withdraw from participating on the Council, a new organisation may nominate to fill that Council position for the remainder of the term.
- The replacement organisation must come from the relevant section of industry that the retiring organisation came from.

6.5 Responsibilities

6.51 The Chairperson

- Presides over Council meetings and consults with the Secretary regarding the business to be conducted at each Council meeting.
- Ensures minutes of a General Meeting or AGM are reviewed and signed as correct.

6.52 The Deputy Chairperson

- Deputises for the Chair when the Chair is not available and as such takes on the roles of the Chairperson of meetings.
- Supports and assists or represents the Chair in CLOCS-A activities from time to time.

6.53 The Secretariat

- Co-ordinates the correspondence.
- Consults with the Chairperson about all business to be conducted at meetings and convene General Meetings and the AGM, including preparing notices of meetings.
- Maintains the Member Register.
- Updates the Member Register within 28 days of new members, members resigning, members suspended/expelled and in the latter case, include date in which member ceases and reasons for cessation of membership.
- Keeps full and correct minutes Advisory Council meetings for approval at the next Advisory meeting, which will then be stored and distributed.
- If the NFP established, keeps full and correct minutes of Board meetings for approval at the next Board meeting, which will then be stored and distributed.

6.6 AGM Procedure

The order of business at the AGM shall be as follows:

- Reading notice of meeting.
- Confirmation of minutes of the last AGM.
- Reading of Chairs Report, discussion and adoption or otherwise.
- Reading Statement of Accounts and Balance Sheet.
- Reading and acceptance of independent Auditors report.
- Election of Council/Board.
- Other Business.

³ The operating procedure would largely be maintained should the Host Organisation / Advisory Council arrangement continue.

6.7 Transition to NFP Board Structure

At the end of the two year development, it is envisaged that CLOCS-A will mature into a self-governed and sustained NFP should this option be pursued.

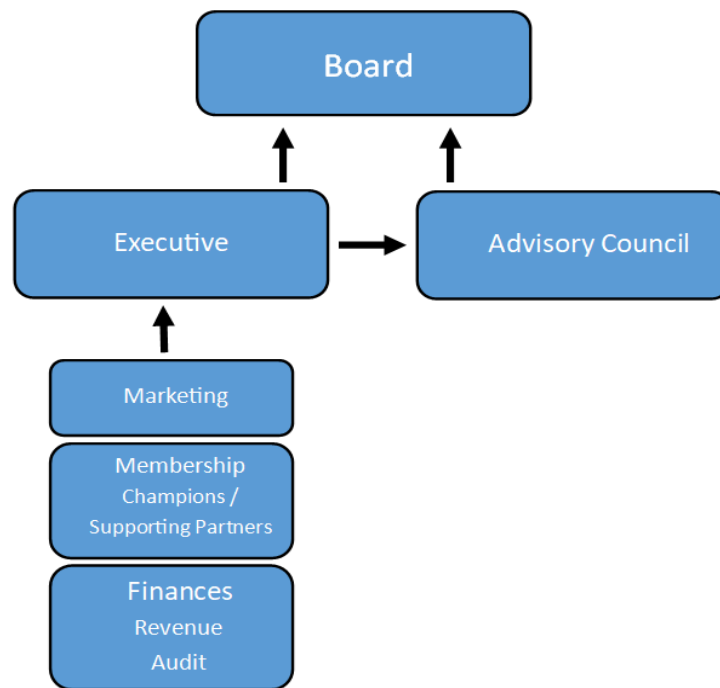
A Board will be established and all governance and financial management will transfer from the Host Organisation to the Board. Phases 7 - 10 of Figure 1.⁴

The Board's primary role is to ensure governance of the NFP is correctly carried out as per law. It is expected that the Advisory Council will be the main interface between the industry and the CLOCS-A Standard and will report to the Board accordingly.

The Executive Officer will expand his/her activities to incorporate financial management. This may require additional resources.

Most Government agencies that procure cannot sit on a NFP Board but it is important that they advise on the ongoing performance of the CLOCS-A NFP organisation and accordingly, will sit on the Advisory Council.

Figure 4 CLOCS-A Mature Governance Structure under the NFP model.



The Board composition shall be:

1	Independent Chair	
2	Major generator of contract (Industry)	
3	Contract deliverer	
4	Transport provider	
5	Executive Officer	Secretary and Treasurer (non-voting)

The Board will be drawn from the Advisory Council.⁵

⁴ Details of these phases will be undertaken at the appropriate time.

⁵ Should the Review at Stage 7 determine the maintaining of the Advisory Council and Host Organisation, the above Advisory Council structure would be continued.

6.8 Conflicts of Interest

In line with industry best practice and to ensure decisions are made without prejudice or favour any one party, all members of the Board will be required to notify the Secretariate of any known or perceived conflicts of interest at the earliest opportunity after discovery.

The Board will be notified by the Secretariate of all notifications, advise of any immediate actions necessary and review register at least annually.

Additionally, the Secretariate will conduct a review annually of declaration of Board members of any known of perceived conflicts and have each member declare as so.

7. Executive Officer Summary ⁶

The Executive Officer's duties and responsibilities will encompass the Advisory Council period to and including the establishment of CLOCS-A as a NFP organisation should that option be pursued.

The Executive Officer will have administrative support from the Host Organisation in the interim and longer term should this arrangement be continued. If the NFP option is pursued, administrative support will be provided by the NFP.

Table 2 outlines some of the duties that the Executive Officer could take on. It is envisaged that administrative support will be required

Table 1 Responsibilities of the Executive Officer under two scenarios

Responsibility	AC	NFP
Liaise with Host Organisation	✓	
Liaise with Consolidation Sub-Committee	✓	
Administer fees (<i>responsibility of Host Organisation</i>)		✓
Service Future Corporate Members and Sponsors	✓	✓
Liaise with Champions and Supporters	✓	✓
Secretary to Advisory Council and NFP	✓	✓
Maintain and update the CLOCS-A website and generate community news items, newsletters and create events in association with NRSPP	✓	✓
Schedule and organise CLOCS-A audits and self-assessments	✓	✓
Assess the applicant auditor's experience and qualifications as a future CLOCS-A auditor (Panel Process assessment)	✓	✓
Treasurer to the NFP including banking accounts, register CLOCS-A with the ACNC etc		✓

8. Accreditation

Organisations seeking to gain accreditation to the CLOCS-A Standard must apply for accreditation to the CLOCS-A Managing Body. Accreditation to the CLOCS-A Standard is gained following the passing of an entry-audit to the scheme.

Passing an entry audit means achieving either zero non-conformances (NCR) or having only opportunities for improvement (OFI) identified from the audit.

Accreditation to CLOCS-A is granted from the date listed on the CLOCS-A Accreditation certificate and remains valid for a period of 12 months at which time the accreditation must be renewed.

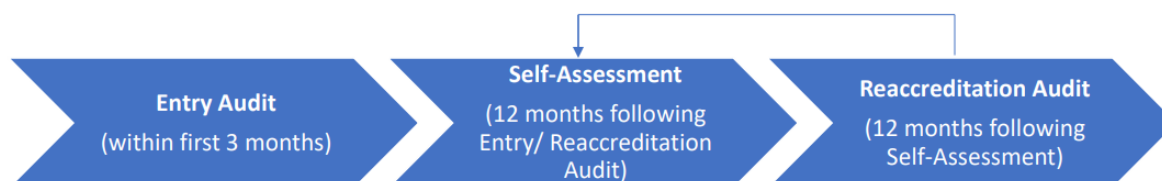
⁶ See Appendix A for further information on the Executive Officer role.

9. Audits

Accreditation to the CLOCS-A Standard is only awarded once an organisation has passed an external verification audit. Organisations seeking to remain accredited to the CLOCS-A Standard need to demonstrate ongoing achievement of the Standard's elements by successfully passing the biennial self-assessment and audit process.

Details on the Audit requirements for organisations seeking to gain and maintain accreditation to the CLOCS-A Standard and audit professionals seeking to become a certified CLOCS-A auditor are outlined in the **CLOCS-A Audit and Accreditation Business Rules and Standards**.

Figure 5 Audit Process



10. Membership Fees Structure

Membership and fee structures are outlined in Table

Table 2 Membership categories and Fee structure

Industry		
Tier	Classification	Description
Tier 1	Very Large Transport Operator	<ul style="list-style-type: none"> - entities that are part of an economic group with combined turnover greater than \$250 million - 500+ employees - 2000+ vehicles
Tier 1	Very Large Principal Contractor	<ul style="list-style-type: none"> - entities that are part of an economic group with combined turnover greater than \$250 million - 500+ employees
Tier 2	Large Transport Operator	<ul style="list-style-type: none"> - at least \$7 million in annual revenue and - 200 to 500 employees. - 250 vehicles
Tier 2	Large Principal Contractor	<ul style="list-style-type: none"> - at least \$7 million in annual revenue and - 200 to 500 employees.
Tier 3	Medium Transport Operator	<ul style="list-style-type: none"> - The Australian Bureau of Statistics (ABS) considers any business with under 200 employees to be a medium business - employs between 20 – 199 staff - 50 vehicles
Tier 3	Medium Principal Contractor	<ul style="list-style-type: none"> - The Australian Bureau of Statistics (ABS) considers any business with under 200 employees to be a medium business

		<ul style="list-style-type: none"> - employs between 20 – 199 staff
Tier 4	Small Transport Operator	<ul style="list-style-type: none"> - an organisation that employees less than 20 people - a small company is one that has an annual turnover of less than \$25 million, - 5 - 10 vehicles
Tier 4	Small Principal Contractor	<ul style="list-style-type: none"> - a small company is one that has an annual turnover of less than \$25 million, - no more than 50 employees and under \$12.5 million in assets
Government		
Commonwealth	\$75,000	
State/Territory	\$50,000	
Local (Very Large)(new)	\$10K(?)	Population 120K+
Local (Large)	\$7000	Population 70 – 120K
Local (Medium)	\$4000	Population 30k – 70k
Local(Small)	\$3000	Population >30K

Appendix A: Proposed Audit and Accreditation Process

Proposed CLOCS-A Audit and Accreditation Process

