

TO: Ben Gamboni

CC: Rob Montgomery

FROM: Maggie Oram

SUBJECT: Ruapehu Alpine Lifts Limited (RAL)

TSL/DL#: Section 18(c)(i) (Goods Service Licence); Pseudo Driver Licence PZ088206

CASEY ID: 831

INTRODUCTION/ BACKGROUND

Refer NOP – letter 10 June 2019 - (**Appendix 1**)

- 1.1 On Saturday the 28 July 2018 just after 14:30hrs vehicle CDJ298 overturned at the 9km mark on Ohakune Mountain Road, Ohakune. The vehicle (a bus) was being operated by Ruapehu Alpine Lifts Limited. Thirty-one persons were on board the bus at the time of the crash.
- 1.2 Of these 31 persons, twenty were reported as being injured with at least four of these having moderate or serious injuries. On Sunday the 29th July 2018 it was reported a 12-year-old child died as a result of the crash.
- 1.3 On the 5 November 2018, RAL was issued a NOP to revoke its three transport service licences - Goods Service Licence Section 18(c)(i) (GS Licence); Large Passenger Service Licence Section 18(c)(i) (LPS Licence); and Small Passenger Service Licence Section 18(c)(i) (SPS Licence). This notice was issued on the basis that RAL is not a fit and proper person to hold those licences for the reasons identified in that document.
- 1.4 Following the subsequent 'surrender' of RAL's large and small Passenger Service Licences and the review of submissions in relation to the Goods Service Licence the Agency agreed a way forward which allowed RAL to continue to operate under the GSL through the winter 2019 ski season, with the NOP remaining in place for this period. This was subject to strict compliance conditions as outlined in the letter to dated 10 June 2019 and agreed to by RAL.

NOP (3) The Way Forward

- 2.1 Condition 3.1(J) of this document states: Agency staff reserve the right to conduct two random reviews of RAL's operation (including for the purpose of checking goods service vehicles and worktime and logbooks) during the 2019 Winter ski season to ensure that all RAL systems are functional as intended and that RAL continues to be a fit and proper person to hold a GSL.
- 2.2 Visit one was completed on the 15th August 2019.
- 2.3 During this visit VS Lathiff (with the assistance of CTA Rob Montgomery) spent time with RAL's Section 9(2)(a). Section 9(2)(a) advised VS Lathiff that RAL had downsized the 'goods vehicle fleet' and is now operating four vehicles only. At the conclusion of this visit, VS Lathiff reported these vehicles recorded a 100% COF pass rate over the last seven COF's (these vehicles are on three-month COF).
- 2.4 VS Lathiff inspected a current driver walk-around check sheet which he reports had all the required information and had been completed by the driver. He reports he also had a discussion with Section 9(2)(a) around vehicle maintenance and repairs. RAL electronic recording and reporting systems were also viewed.

- 2.5 At the conclusion of this visit VS Lathiff advised that he believes RAL are currently operating compliant and safe heavy goods vehicles.
- 2.6 At that same visit CTO Maggie Oram reviewed documents and processes with **Section 9(2)(a)** **Section 9(2)(a)**.
- 2.7 **Section 9(2)(a)** was able to provide an update on the driver defensive driving course - condition [f]. Of interest, it was the opinion of all involved that the course completed wasn't well tailored to the alpine region that the RAL drivers operate. At the time of that meeting RAL intended to engage an advanced driver trainer (specific to low friction driving surfaces - snow and ice). **RAL have since provided the Agency with evidence to support this has been completed.*
- 2.8 Prior to our (unannounced) visit, **Section 9(2)(a)** had completed an internal audit of RAL's processes and procedures. This audit highlighted some issues around log books omissions and work time breaches. **Section 9(2)(a)** was able to attribute this to drivers coming to grips with the new electronic logbooks (Eroad).
- 2.9 **Section 9(2)(g)(i)**
- 2.10 RAL were commended for completing an internal audit and for sharing the results with the Agency despite it highlighting some issues.
- 2.11 At the conclusion of this visit RAL had all staff that were present on that day meet with the Agency staff. What ensued was a healthy discussion around RAL's duties regarding safety and compliance and the role of all individuals to ensure RAL can meet these requirements. RAL staff participated fully, with good ideas and feedback to management.
- 2.12 In addition, the brake machine (d) was not yet operational and the Agency had not received a copy of RAL's internal investigation into the crash (h)(i).
- 2.13 Issues identified were communicated to RAL.
- 2.14 Visit two was completed on the 12th November 2019. Present at this meeting was **Section 9(2)(a)** and **Section 9(2)(a)** **Section 9(2)(a)**, CTO Oram and CTA Rob Montgomery.
- 2.15 This visit was to ensure issues identified at visit one had been addressed to the satisfaction of the Agency, and to ensure all requirements had been met as per NOP dated 10 June 2019.
- 2.16 Throughout the 2019 ski season RAL has provided regular updates and documentation to support requirements as they were met. These have not been included as part of this report, instead requirements have been updated as 'Complete' where applicable.
- 2.17 Due to external factors (mostly), RAL did not meet all timeframes as specified in the letter dated 10 June 2019 (NOP), however, where deadlines proved difficult to meet this was communicated to the Agency and alternative deadlines were agreed.
- (a) RAL's daily driver walk around checks must be improved by using a more suitable check sheet to improve the quality of these inspections. The Agency provided this check sheet to RAL in March 2019. **Complete**

- (b) RAL drivers are to be professionally trained to conduct thorough daily walk around checks that can improve vehicle safety and compliance in accordance with the check sheet that the Agency provided to RAL in March 2019. This is to be completed by **11 June 2019**. **Complete**
- (c) Thorough pre-COF inspections of RAL vehicles must be completed using the check sheet that the Agency provided to RAL in March 2019 (or an equivalent check sheet which incorporates the matters referred to in the Agency's sheet). **Complete**
- (d) RAL to install a brake balance testing machine at one of its workshops prior to the Winter 2019 ski season. This machine is to be installed by **4 July 2019** (and RAL is to use an alternative brake testing machine in the meantime). **Complete**
- (e) RAL's drivers must complete training as to the operation of air over hydraulic brakes and treadle valve operation. This is to be completed by **11 June 2019**. **Complete – vehicle specific**
- (f) RAL drivers must complete a defensive driving course appropriate to the nature of vehicles driven within three weeks of the date of this letter (or if an appropriate driving course is not available within that period, as soon as possible thereafter). This is to be completed by **11 June 2019**. **Complete**
- (g) There is to be a three-month COF condition on all vehicles owned or operated by RAL. This means that from the date of acceptance of the terms of this letter every new COF issued will be for three months. **To be reviewed by VS Lathiff in December 2019 (as advised to RAL)**
- (h) RAL:
- (i) implements an electronic logbook system that meets the minimum specifications set by the Agency in March 2013 and that is otherwise approved by the Agency for use in New Zealand in order to provide the Agency with assurance that RAL will ensure compliance with road safety rules including work time and logbook requirements. RAL must notify the Agency that this has occurred no later than 14 June 2019, such notification to provide detailed confirmation of the implementation of a suitable electronic logbook system. **Complete**
 - (i) implements a GPS system which includes real-time tracking, detailed trip history maps, geo-fence alerts, speeding alerts and driver behaviour and scheduled reports, in order for RAL to provide the Agency with assurance that it is taking all necessary action to monitor and ensure compliance with work with road safety rules, including observance and compliance with speed limits and worktime rules. RAL must notify the Agency by no later than **three weeks after the date of this letter**-. Such notification to provide detailed confirmation of the implementation of a suitable GPS system. (On 27 May 2019, RAL provided this notification to the Agency). **Complete**
 - (ii) submits to the Agency by **1 June 2019** a plan that records how RAL will monitor the electronic logbook and GPS systems to ensure that worktime and logbook requirements are being met by its drivers. (On 31 May 2019, RAL provided this notification to the Agency and the parties are in dialogue about amendments needed to the plan). **Complete**
 - (i) RAL share the recommendations of its internal investigation into the 28 July 2018 bus accident with the Agency within 5 working days of the report becoming available to RAL, and no later than three weeks after the date of this letter. **Complete (Appendix 3)**

- (j) The Agency staff reserve the right to conduct two random reviews of RAL's operation (including for the purpose of checking goods service vehicles and worktime and logbooks) during the 2019 Winter ski season to ensure that all RAL systems are functional as intended and that RAL continues to be a fit and proper person to hold a GSL. To the extent that the Agency intends to undertake any level 5 vehicle inspections of RAL's operation, it will give RAL 48 hours' notice of such inspections. ¹ Complete

2.8 Updated TOH, COF and RID reports were also discussed. Reports excluded were Police Vetting and MOJ/NZTA Debt.

- TOH (one new 'Pending' Offence): The 'Pending' offence dated 22 Sept 2019 – Exceeded 80km/h Speed Camera (excess speed 20km) Light private passenger vehicle - was discussed. RAL do not condone speeding in light or heavy vehicles and actions were in motion to address this with the driver concerned.
- COF: All vehicles identified have passed COF first time during 2019. Vehicle CEY897 was queried as the vehicle had received a COF one month apart. RAL advised the vehicle underwent extensive motor 'refurbing' after the initial COF and it was the decision of RAL to re-COF. This also assisted them to stagger COF dates for their fleet – this is to ensure they can always meet operation requirements.
- RID: No RAL vehicles have received a roadside inspection post the 07/03/2019 audit.

2.9 At the conclusion of the 12 November meeting (with the exception of (i)) RAL were able to support that they had satisfactorily complied with the NOP requirements and are aware of their responsibilities in ensuring continued safety improvements, compliance and monitoring.

**Requirement (i) was fulfilled on the 22/11/2019.*

OTHER RELEVANT INFORMATION

3.1 Public interest case is high. When assessing whether RAL is fit and proper to operate a goods service the Agency must take three things into consideration –

1. The actions taken by RAL to meet regulatory requirements and conditions placed on them in relation to the NOP.
2. RAL's continued willingness and commitment to work with the Agency.
3. Remedial actions taken by RAL after the crash –
 - a. RAL's decision to cease operating a passenger service,
 - b. the disposal of all vehicles that were identified in the 2018 audit (apart from two 2017 Mercedes Benz Sprinter buses),
 - c. the purchase of six brand new buses (now operated by Sand Safaris (2014) Limited),
 - d. new snow tyres for all of these vehicles,
 - e. the review and update of its Transport Operations Manual.

3.2 The NOP dated 10 June 2019 3.3 states: At the expiry of the winter 2019 ski season, assuming that RAL has satisfactorily complied with the conditions outlined in the NOP and is otherwise a fit and proper to hold a GSL, then the Agency will withdraw the NOP by no later than 1 December 2019.

3.3 RAL have complied with the conditions.

RECOMMENDATIONS

4.1 Recommendation for your consideration:

1. Withdraw the NOP to revoke GSL s18(c)(i) by 1 December 2019.
2. Review to be completed by VS Lathiff around reverting vehicles CKD534, CEY897, GOL983 and BGK889 back to six monthly COF.
3. Meredith Connell to draft a final letter advising RAL of the Agency decision
4. Close Casey file 831.

4.2

The harm or potential harm is:	minimal with very little harm to persons or the wider public
The non-compliance is:	occasional or occurs from time-to-time
The attitude to compliance is:	proactive, they are willing and able to comply
The capability to comply shows:	a high level of commitment to processes, training and knowledge of regulatory requirements.
The level of public interest is:	extensive, there is significant concern from the public on this matter

Name: Maggie Oram

Position: CTO (Palmerston North)

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