


Safety Assessment Report

Licence holder	:	KiwiRail Network
Address	:	PO Box 593 Wellington
Type of Assessment	:	Ordinary Safety Assessment
Scope of Assessment	:	Operation of Rail Safety Management System for the National Rail System (NRS)
Assessment Standards	:	Railways Act 2005
Date(s) of Assessment	:	08 March – 12 March 2010 22 March – 26 March 2010
Assessment Team	:	John Greenland – Telarc Limited Bryan Graham – Telarc Limited Ivan Cowell – Telarc Limited John Freeman – NZ Transport Agency (NZTA) Adrian Douglas – NZTA Graeme Hudson – NZTA Anna Cleary – NZTA Merv Harvey – NZTA Rob Gould – NZTA
Licence No.	:	ORA-05-03-01
Report Issued By	:	Rob Gould
Signature	:	
Date	:	21 June 2010
Close out edition of report. Status as at:		1 June 2011
Report Issued By		Merv Harvey
Signature		

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SECTION 1

Assessment Against Railways Act 2005 Requirements

1.1 Report Details

Document History

<i>Issue</i>	<i>Author/s</i>	<i>Issue Date</i>
1. Initial Report	John Greenland	16/5/2010
2. Submission to the initial report	KiwiRail Network	11/06/2010
3. Final Report	Rob Gould	21/06/2010
4. Response to report	KiwiRail Network	
5. Latest Assessor review	Merv Harvey	03/05/2011
6. Latest NZTA close out	Merv Harvey	01/06/2011

Document Distribution

KiwiRail Network	Robyn Horan
NZTA	File EDRMS
Telarc Limited	File – K Drive

Note: It is the responsibility of KiwiRail Network to distribute this report to interested parties within its organisation.

The NZTA will release this report to the General Secretary of the RMTU.

1.2 Introduction

This report covers the results of the ordinary safety assessment of KiwiRail Network (KRN), as licence holder, undertaken by the NZ Transport Agency (NZTA) in March 2010 to determine compliance with the requirements of the Railways Act 2005 (the Act), and the KRN safety case and rail safety management system.

It is to be noted that KiwiRail Network is the new operating name of the licensed access provider/rail operator organisation formerly known as ONTRACK. The NZTA was formally advised of the name change on 6 April 2010 and approved the change as a safety case variation.

Although the on-site assessment was carried out when the organisation was known as ONTRACK, for clarity going forward, the organisation is referred to as KRN throughout this report. That includes any reference to previous conditions and recommendations that were the subject of previous safety assessment reports on ONTRACK.

The assessment was carried out by an assessment team appointed by the NZTA comprising of assessors from Telarc Limited and the NZTA. Standard assessment techniques (in accordance with AS/NZS ISO 19011) were applied, in conjunction with the Land Transport NZ *Rail Safety Licensing and Safety Assessment Guidelines* to ensure that the ordinary safety assessment complied, in all respects, with the criteria set down by the NZTA.

The assessment findings detailed in this report can fall into one of three broad categories: **Conditions, Recommendations and Observations.**

Conditions

Conditions are findings of non-compliance which may arise in one of two ways. Firstly, the safety system procedures may meet the requirements of the Act but are not being implemented and complied with in practice. Secondly, the organisation's procedures may not conform to the Act requirements – even though those documented procedures may be being followed.

Conditions, indicated by a [C] code, are given either a High, Medium or Low rating and are included in the Safety Rating calculation.

Recommendations

Recommendations are actions that the organisation is strongly urged to implement in the interest of good safety management practice but are not considered as non-compliances and are not included in the safety rating calculation. Recommendations are indicated by a [R] code.

Observations

Observations are either conditions or recommendations that are applicable to another rail participant and are identified as requiring follow up. It is not necessarily expected that the organisation being assessed address these observations, as they will be reviewed, managed and passed on by the NZTA to the parties concerned.

All conditions and recommendations are given a prefix unique to the assessment period by year and month (e.g. March 2010 = 10/03). These items are sequentially numbered in the form “10/03 C6” (Condition No. 6 identified in the assessment of March 2010). Please use this identification system when referring to Conditions and Recommendations in all future correspondence relating to this report.

Conditions must be responded to by the rail licence holder with either evidence of completed corrective action taken, or with an acceptable corrective action plan, to modify behaviour to match the complying process, or to improve the system to meet the requirements of the Act. Safety recommendations must be responded to as either accepted or rejected with reasons given. If accepted the proposed plan of action needs to be included in the response.

1.3 Executive Summary

Assessment

This report relates to the ordinary safety assessment of KRN conducted during March 2010. The assessment was run concurrently with the ordinary safety assessment of KiwiRail Ltd (KRL) in order to enable the assessors to continue to review the interfaces between KRN and KRL.

The assessment was conducted to determine compliance of the health and safety management systems with the KRN safety case and safety system, National Rail System Standards (NRSS), and other relevant supporting documents. Relevant health and safety legislation was also considered during the assessment.

The assessment was carried out by an assessment team appointed by the NZTA comprising of assessors from Telarc Limited and the NZTA. This resulted in an experienced cross-organisational assessment team to deliver a high level of assurance in the assessment findings.

General Observations and Findings

Maintenance & Inspection

The planning processes related to the maintenance and inspection activity were seen to be well established and effectively managed. The auditors visited the Hamilton region, Auckland region and Whangarei. In all areas personnel were observed working safely.

Weekly work plans were well established and also well managed. From the review of a random sample of weekly work plans it was demonstrated that the planned works were consistently being completed. Associated track inspection records were reviewed and found to be satisfactorily completed. The opportunity was taken to review the ONTRACK Infrastructure Limited (OIL) database (containing training records). The system is still at the early introduction phase. There was good evidence of succession planning being put into effect particularly in the Hamilton and Auckland regions.

Site Visits

A number of site visits were conducted. All of the 'active' sites visited were seen to be effectively managed. Appropriate visitor inductions including signing of the work plan and advice of site hazards were experienced at nearly all sites. Staff on all sites visited were generally wearing appropriate personal protective equipment (PPE) and are to be commended for this. There was a lot of uncertainty about the use of the Hazard Analysis of Tasks (HAT) system for evaluating high risk hazards.

During the site visits vehicles and equipment were inspected with regard to appropriate and current "155b" labelling, currency of first aid equipment and PPE equipment such as hard hats. Resulting from these inspections a significant number of instances were found where "155b" status was not evident or was not current, several instances were observed where hard hats were outside prescribed service periods or had been marked up on the shell with felt pen (hence the integrity of the helmet was in question) and some first aid kits sighted included some items outside prescribed expiry dates.

New Ballast Cleaner

A visit was conducted to observe the new Ballast Cleaner and review associated records. A comprehensive file was maintained containing all related commissioning work conducted to date. Commissioning has not yet been fully completed.

Training records for the operation crew were sighted. All records were current.

Renewals Programme

In the Hamilton/Auckland/Bay of Plenty regions the renewals programme is comprehensive and well managed and resourced. There is a twelve month programme which includes concrete sleeper lays, level crossing upgrades and other major projects. The programme includes a resource of four field engineers' and five renewal gangs throughout the Northern region.

Processes for controlling worksites around level crossing upgrades were well managed and documented. Traffic management plans are provided for level crossing upgrades and are also used in other activities where there is a need to work with vehicles or plant on the roadside and approaching traffic need to be warned of their presence.

Rail Weld Operation, Auckland

The factory producing welded rail was visited and the manufacturing, storage, handling and shipping operations were observed. The equipment used for welding is old and this imposes some limitations on the manufacture at present, as well as on the guarding and general safety associated with the machinery. A new facility is proposed for the near future with the location still to be decided.

The main issue that arose during this visit was in the return of the rail weld transport wagons from remote locations without securing the load fastening chains and with an unacceptable amount of debris (ballast stones, dirt, pieces of wood) lying on the surface of the wagons. This is also presented as an observation on KRL.

Project Management

Various project work was observed during this assessment. A high standard of project management was observed with excellent planning and execution of the plans observed. Some issues were identified on contractor controlled sites that require follow up by the project engineers.

Concrete Sleeper Factory, Christchurch

After the concerns that were raised at the 2009 assessment, the sleeper factory was reviewed to ensure that appropriate corrective and preventive action had been taken. It was pleasing to see that Busck management had taken a much more active role in safety and quality management systems at the site and that the non-compliances from 2009 had been addressed. This included steps to address the lack of safe working practices and the implementation of concrete sleeper testing and traceability requirements.

Network Operations Control

The Network Operations Manager had made a significant effort to address the conditions raised at the 2009 assessment and all but one condition was closed out. The department itself was functioning well and no further issues were noted.

HR & Safety Management

This team focuses on co-ordinating the discrete elements of HR, Health and Safety, Quality and Training and Internal Audit. The team reviews ideas from the field every 4 to 6 weeks or so, and with assistance and sponsorship, initiates changes to both processes and practices to realise the benefits available.

On the compliance front, audits continue to be undertaken every second week through a comprehensive internal annual audit program.

Incident alerts are raised for all LTI's, MTI's and near hits with significant potential. Alerts are on-forwarded throughout the business, and where appropriate to contractors.

At present performance indicators are maintained by the H&S team, though most have a 'lag' bias. A recommendation 10/03 R2 has been raised to promote the development of more lead (predictive) type indicators, aimed at identifying processes/activities not working as intended or outside prescribed standards.

Open Conditions and Recommendations

The assessment included a review of the open conditions and recommendations from previous assessments as detailed in Section 2 of the report below.

Following the February 2010 closure verification assessment (CVA) there were 37 conditions and 5 recommendations remaining open. Progress on these open conditions and recommendations was reviewed during the current assessment and this enabled the closure of a further 12 conditions and 1 recommendation, meaning there are 25 conditions and 4 recommendations outstanding.

One area of continuing concern is the responsibilities of KRN at industrial sidings. Previous conditions have been raised against this responsibility and two further conditions have been raised to address this area.

The GM Legal and Governance is forming a steering group to address company wide legal requirements and direction and in conjunction with this review a condition has been raised to include sidings and port operations. Secondly, the GM Commercial indicated that a high percentage of private sidings had no agreements in place between KiwiRail and the siding owners. Condition 10/03 C3 is raised to expedite the implementation of formal agreements in this respect.

Appreciation

The success of any external assessment is always centred on sourcing information, viewing processes and identifying areas for improvement. This was greatly assisted by the willingness of staff to be a part of the assessment and share their knowledge with the assessors. The assessment team thanks the KiwiRail Network employees and RMTU observers who assisted with this assessment, for their openness and constructive cooperation. Although invited to participate in this assessment as observers, there were few RMTU representatives present during the assessment.

1.4 Compliance with the Approved Safety Case and Safety System

In total there are 22 new open conditions (non-compliances) and 13 new open recommendations in this report which KRN needs to address.

With the exceptions of the conditions noted in this report, those areas considered during this current assessment were found to be in compliance with KRN's approved safety case and safety system.

1.5 Next Assessments

Closure Verification Assessment

It is recommended that the next assessment be an on-site closure verification assessment (CVA) in November 2010. KRN is required to provide evidence verifying corrective actions taken to address the conditions identified during this assessment.

Ordinary (Annual) Safety Assessment

It is planned that the next ordinary safety assessment in accordance with the Railways Act 2005 be conducted in March – April 2011. As with previous assessments, the assessment days required will depend upon the growth of the rail activity and any trends in accident and incident occurrences, or other indicators that may be appropriate.

Quarterly Meetings and Progress Review

To ensure timely corrective action is being taken with respect to issues in this report, progress towards each condition and recommendation and any open TAIC recommendations will be reviewed at the KRN/NZTA Quarterly Meetings. At these meetings, KRN should provide a written report describing actions taken to date on each recommendation and condition, actions proposed, and resources allocated. If particular attention is paid to this during the next Quarterly meeting, then KRN should be in a strong position to have many conditions and recommendations closed out during the November 2010 Clearance Verification Assessment (CVA).

1.6 Safety System Rating

Safety System Rating Results

Although KRN and KRL hold separate rail licences, the two assessments were undertaken concurrently to review the activities of both rail participants. While the effect of this was not a significant change with respect to the time spent on site, it did allow for a wider coverage of the sites visited. It is not thought that additional conditions were noted as a consequence.

The following is noted:

- The overall rating has increased slightly from 75 in 2009, to 92 in 2010.
- There are 25 open conditions dating back to earlier assessments, (2 high risk, 12 medium risk and 11 low risk).
- In the latest assessment, of the 22 open conditions raised, there are 3 conditions rated as H (High Risk), 13 rated as M ((Medium Risk) and 6 rated as L (Low Risk).

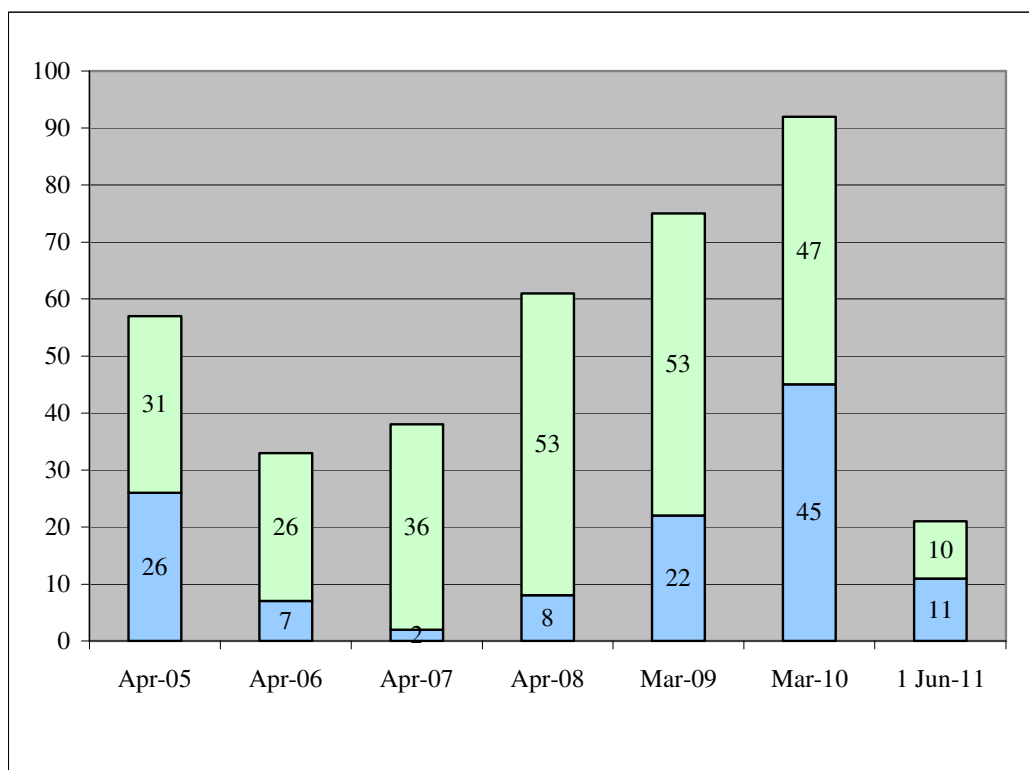
Safety System Rating (formula):

Each condition is considered by the assessors and graded High (**H**), Medium (**M**), or Low (**L**). This is noted in the table detailing each condition throughout the report. Each is given a weighted value rating score of H (5), M (2), or L (1).

All ratings scores are then added together to give a total value for the collated non-compliances found during the assessment.

Recommendations (**R**) and observations (**O**) relating to other operators do not count towards the safety system rating.

KiwiRail Network Safety System Rating



Safety system rating for conditions from the current assessment.
 Safety system rating for conditions remaining open from previous assessments.

Results

August 2004 = 30 April 2005 = 57 April 2006 = 33 April 2007 = 38
 April 2008 = 61 March/April 2009 = 75 March 2010 = 92 1 June 2011 = 21

1.7 Assessment Programme

JG = John Greenland BG = Bryan Graham, IC = Ivan Cowell
 AC = Anna Cleary AD = Adrian Douglas MH = Merv Harvey JF = John Freeman
 RG = Rob Gould GH = Graeme Hudson

<u>Assessor</u>	<u>Topic</u>	<u>People Interviewed</u>
08.03.10	Monday	
JG, JF	Network Operations Management, Network Control, Train Control, Rostering, Certification, Occurrence Management, TCM and NCM functions.	C. Mills
BG, AC	Rail Operating Standards, safety case responsibilities, risk assessment, safety case variations, rules, codes and standards	G. Dilks
JG, MH	Field operations management, Divisional objectives, strategies. Risk and change management.	P. McQueen
BG, AD	Engineering management. Track, structures engineering, signals, telecoms and electrical operating standards	P. Steel
09.03.10	Tuesday	
JG, BG, JF, MH, AC	GM Network opening meeting and review of group organisation, strategies and objectives	R. van Barneveld
JG, MH	GM Commercial – division overview, strategies and objectives. Control of contractors. Private sidings ownership, demarcations, agreements, maintenance and inspection responsibilities.	N Buchanan P. Trotman
BG, GH	Structures engineering, asset management, inspection and maintenance processes	S. Grave
BG, AC	HR Unit, QA and HSE functions, safety case review and future direction, occurrence review, internal audit.	R. Nicole
JG, RG	Signals, telecoms and electrical. Project progress, use of contractors in processes, Kupe.	J. Skilton
10.03.10	Wednesday	
BG, AD.	Track Engineering: Update on unit Code & standards Data management, investigation, inspection, EM80 & NDT Sustainable asset management	M. Gullery
JG, RG	WRRP project overview: Project progress Future schedule Contractor & subcontractor management Interfaces between rail operating standards and projects & contractors	D. Gordon
JG, RG	WRRP projects on site:	D. Gordon

	Cover engineering management, contractor management, evaluation & management of sub-contractors by main contractor, safety interface liaison, track protection, staff training & certification, variation management, site health & safety	
11.03.10	Thursday	
JG, RG	WRRP projects on site: Continued	D. Gordon
BG, GH	Area Management, Stratford Management of Area. Inspection, reporting, maintenance planning, staff resourcing, hours of work, training & certification, safety observations. Working at heights, DOL prohibition notice.	T. Brugger, K. Preston
BG, GH	Field staff in Stratford area all disciplines including Signals & Telecomm. Inspection, code compliance, maintenance & renewals, work programming, track protection, staff health & safety, record keeping.	T. Brugger
12.03.10	Friday	
JF, JG.	Concrete sleeper factory, Christchurch. Review findings and actions taken after 2009 assessment.	C. Paice
BG, GH	Field staff in Wanganui area all disciplines including Signals & Telecomm: Inspection, code compliance, maintenance & renewals, work programming, track protection, staff health & safety, record keeping.	T. Brugger
BG, GH	Review of training trial Palmerston North	P. Dix
17.03.10	Wednesday	
IC, AD	ONTRACK Industrial Council (OIC) Observe consultation process	OIC representatives
22.03.10	Monday	
JG, RG	Regional Management: Cover regional office issues, management of resources track & structures. Sustainable asset management, inspection and measurement, management of maintenance and renewals. Training & certification and succession planning. Contractor management.	S. Collett
JG, RG	Signals & Telecomm Asset & Performance: Overview of management of area. Inspection, reporting, maintenance planning, staff resourcing, hours of work, training & certification, safety observations. Sustainable asset management, Interface with projects.	N. Thompson
IC, GH	Area Management Hamilton East & south Inspection, reporting, feedback loop, maintenance planning, staff resourcing, hours of work, training & certification, safety observations.	T. Hodder

	Sustainable asset management to suit future task of infrastructure. Contractor Management .	
IC, GH.	Field staff in Hamilton South area Including Traction and Signals & Telecomms: Cover inspection, code compliance, maintenance & renewals, work programming, track protection, staff health & safety, record keeping.	W. Stewart
JG, RG	Area Management, Auckland all disciplines including Signals & Telecomm: Cover inspection, code compliance, maintenance & renewals, work programming, track protection, staff health & safety, record keeping.	P. Ramsay, N. Thompson
23.03.10	Tuesday	
JG, RG	Onsite field activities: Auckland to Whangarei all disciplines including Signals & Telecomms: inspection, code compliance, maintenance & renewals, work programming, track protection, staff health & safety, record keeping	P. Ramsay, N. Thompson
IC, GH	Field staff in Hamilton South area all disciplines including Traction and Signals & Telecoms, inspection, code compliance, maintenance & renewals, work programming, track protection, staff health & safety, record keeping	W. Stewart
24.03.10	Wednesday	
JG, RG	Onsite field activities Whangarei and north all disciplines continued	P. Ramsay, N. Thompson
IC, GH	Field staff in Hamilton South area all disciplines continued	W. Stewart
25.03.10	Thursday	
JG, JF	Field staff in Auckland area all disciplines including Signals & Telecomm: View activities South of Auckland including Pukekohe.	N. Thompson
JG, JF	Railweld, Auckland	M. Wadsworth
IC, GH	New ballast Cleaner, Tamper and Stabiliser, Hamilton	T. Moore
26.03.10	Friday	
Assessment team	Review of findings.	Nil
JG, JF, MH	Closing meeting	Jim Quinn Rick van Barneveld Karen Patterson Ross Hayward Nicola Brown Phil O'Connell John Watson Peter Dix Robyn Horan Iain Hill (by phone)

1.8 Safety Case Variations

In the 12 months prior to the March 2010 ordinary safety assessment, there had been 17 variation requests approved by the NZTA. These were as follows:

Reason for Application	NZTA sign off Date
Conditional Type Approval for DTS, Ballast regulator, Gopher	8/05/2009
Jim Quinn as CEO KiwiRail resp for KiwiRail Network CEO accountabilities, William Peet COO day-to-day resp.	12/06/2009
Mark Gullery Mgr Track Eng, Walter Rushbrook Reg Mgr Central, Samuel Grave Mgr Structures Eng	12/06/2009
Staged level crossing collision on NAL on 29/07/2009	28/07/2009
Revision to staged collision variation approval	29/07/2009
Signals Change - Relock Distant Junction Wellington with Computer based interlocking	31/08/2009
Interim Change to KiwiRail Network Rail Safety System Manual – Key accountabilities disestablished	1/09/2009
Change to Personnel and Job Title - Rick Van Barneveld becomes GM Network	20/10/2009
Ballast Cleaning Group Preliminary Type approval, includes tamper, ballast cleaner & wagons	4/11/2009
Changes to Heritage Staff Training & Re-certifications	11/11/2009
Newmarket Rail Precinct Development	14/12/2009
Changes to Track Layout - Distant Junction Wellington	14/12/2009
Use of Frauscher ACS2000 as an Approved Primary Means of Train Detection	14/12/2009
Upgrade of Track Warrant Access Control System (TWACS)	27/01/2010
Safety Case Variation – Newmarket Rail Precinct Development –Amendment signals work	15/02/2010
New Lynn Rail Precinct Development Up to First Train in Trench	16/02/2010
KiwiRail and KiwiRail Network – Management Changes - GM HR & GM Legal & Governance	25/02/2010

1.9 Condition and Recommendation Status

<u>Reference / Subject</u>	<u>Status</u>	<u>Rating</u>
Previous Open Conditions and Recommendations		
Management Responsibility		
09/03 C1 Health & Safety management in the Concrete Sleeper Plant	Closed	M
09/03 R1 Control of Sub-contractors	Closed	-
09/03 C35 Management of Safety Case variations	Closed	M
Mechanical Safety		
09/03 C2 Equipment inspection	Closed	L
09/03 C3 Radio Code Compliance Checks	Open	M
Infrastructure		
05/04 R4 SAP Date – Industrial Sidings	Closed	-
06/04 C16 Inspection Reports for Private Sidings	Open	M
09/03 C5 Track Inspection Reports	Closed	M
09/03 C6 Testing and Verification of Sleepers	Closed	H
09/03 R3 Job management System	Closed	-
09/03 C7 Yard repairs Timaru	Closed	M
09/03 C9 Recording of Track Inspections	Closed	L
09/03 C10 Accurate identification of industrial sidings	Closed	L
Railway Operations		
08/04 C12 Rail break hazard with concrete sleeper layer	Closed	M
08/04 C13 Traffic Management Plan	Closed	L
09/03 C12 Six-monthly Train Control Recording ("Tape") Audits	Closed	M
09/03 C13 NCM Nightly Audit of Train Control Graphs	Closed	L
09/03 C14 Completion of Mainline Heritage Approvals	Closed	L
Personnel		
07/04 R7 Signals training	Closed	-
07/04 C12 Training records	Closed	L
08/04 C19 Britomart Safety Observations	Closed	L
08/04 C22 Competency Expiry report	Closed	M
09/03 C16 Staff training	Closed	M
09/03 C17 Site inductions at Hutt workshops	Closed	M
09/03 C18 Contractor Management	Closed	L
09/03 C20 Health & Safety meetings	Closed	L
09/03 C21 Staff Induction Checklist	Closed	M
09/03 C22 Train Control Safety Observations	Closed	M
09/03 C23 Train Control Rules Refresher	Closed	M
09/03 C24 Follow up to incorrect answers on assessments	Closed	L
09/03 C25 Voicetape playbacks & Training	Closed	M
Accidents, Incidents and Other Occurrences		
08/04 C23 Reporting of trespass incidents to Police	Closed	M
09/03 C26 Management of TAIC Recommendations	Closed	L
09/03 C28 Fall arrest harness equipment	Closed	M
Document Control		
07/04 C17 Code Update	Open	H
08/04 C26 Onsite document control by KRN & Contractors	Open	M
09/03 C30 Document Control – Arahura Bridge Project	Closed	M
09/03 R9 Structures Project Management Folders	Closed	-
09/03 C31 Code Compliance Inspection - Electrical	Closed	L
09/03 C32 Document Control – Signals Commissioning Checklists	Closed	M
09/03 C33 Rules and Regulations at worksites	Closed	M
09/03 C34 SAP Material Forms	Closed	L

Reference / Subject	Status	Rating
Status of Conditions and Recommendations from current assessment		
Management Responsibilities		
10/03 C1 Equipment maintenance certification expired	Closed	M
10/03 R1 Lead safety performance indicators	Closed	-
10/03 C2 Contractor management	Closed	M
10/03 C3 Ports and sidings agreements	Open	H
10/03 R2 Monthly reports - Structures	Open	-
10/03 R3 Quantate risk profiles	Open	-
10/03 C4 Contractor safety equipment certification, Hamilton	Closed	M
Mechanical Safety		
Infrastructure		
10/03 C5 Radio communications, Heritage operators	Closed	M
10/03 C6 Fault mitigation, MNPL/Wanganui	Closed	M
10/03 C7 NDT Faults, Marton-New Plymouth	Closed	±
10/03 R4 Track gauge calibration marking	Closed	-
10/03 R5 Rescue equipment maintenance	Closed	-
10/03 R6 Crane inspection status (vehicles)	Open	-
10/03 C8 Contractor safety management, WRRP	Closed	M
10/03 C9 Test Instructions, S005, section 17.4	Closed	±
10/03 C10 Portable generators, electrical safety	Closed	M
10/03 C11 Ballast left near tracks	Closed	M
10/03 C12 Rail butt welding machinery	Closed	M
10/03 C13 Weld testing machinery	Closed	±
10/03 C14 Rail weld test failure procedures	Open	H
10/03 C15 Test results, range and traceability	Closed	±
10/03 R7 Disaster recovery plans, Radio Network upgrade	Open	-
Railway Operations		
10/03 C16 Rail weld transport wagons	Closed	M
Personnel		
10/03 C17 Training records	Closed	M
10/03/R8 Training matrix for key staff	Closed	-
10/03 R9 Task based training records - Railweld	Closed	-
10/03 R10 Training records OIL database, Hamilton	Closed	-
10/03 C18 Vibrating tools or equipment	Closed	M
10/03 C19 Crossing signals, lamp replacement	Closed	M
10/03 C20 Safety observations, Railweld	Closed	M
10/03 R11 Succession planning	Open	-
10/03 C21 Carrying Daily Bulletin in the field	Closed	±
Accidents, Incidents and other Occurrences		
10/03 R12 Onsite management of significant occurrences	Open	-
Document Control		
10/03 R13 Material specification sheets Ballast Cleaner	Closed	-
10/03 C22 Job safety analysis on Works Orders	Closed	±
10/03 C23 Hazard Analysis of Tasks	Closed	M
Internal Audit		

SECTION 2

Open Conditions and Recommendations Identified From Previous Safety Assessments

2.1 Management Responsibility

Reference: 09/03 R1 Control of Sub-contractors	
Group / Division	Corporate
Observations	<p>Subcontractor employment on major contract works appears to be left almost entirely to the discretion of the "Main Contractor", who is selected by the initial tendering process. On the Bridge 28 contract (Wellington) and on the three DART contracts observed in Auckland, each of the Main Contractors, (HEB, Fletcher Construction, Hawkins and Fulton Hogan), had engaged a number of subcontractors for site works.</p> <p>There did not appear to be any requirement for the Main Contractor to notify the Principal of the use of any subcontractor, or for them to work from an KiwiRail Network approved list of subcontractors.</p> <p>The monthly site audit reports (carried out by a contract auditor) and the observations made during this audit indicate that these subcontractors represent a high risk to the Principal. There was no evidence available that the Principal had considered the health and safety requirements or qualifications of the subcontractors except for their site induction requirements.</p>
Action recommended	<p>It is recommended that the processes for approval of subcontractors working on the rail corridor include input from the Principal and not be left entirely to the discretion of the "Main Contractors".</p> <p><i>Note: After consultation with KRN, the original condition has been changed to a recommendation in lieu of a condition.</i></p>
Response:	Nil
CVA February 2010	This recommendation was discussed during the review visit. It was agreed that a further review is required during the March 2010 ordinary assessment.
Status	Open
Response	<i>No response issued in relation to this condition</i>
Assessment March 2010	<p>The engagement of contractors on the WRRP contract still appeared to be left to the discretion of the main contractors. However most of the sub-contractors were controlled well and were all required to have induction and site specific training before commencing work or be closely supervised. There was some uncertainty at one of the sites that was visited regarding the situations where sub-contractors could be used "under supervision" without induction.</p>
Status	Open
Response	<p><i>Response 29/07/2010</i></p> <p><i>KRN will continue to ensure that contractors have process for evaluating subcontractors and will become involved at lower levels on an as required basis. KRN will not be assessing all subcontractors as a matter of course.</i></p> <p><i>Closure requested.</i></p>
Assessor review 5 August 2010	Response noted and accepted.
Status	Closed

2.2 Mechanical Safety

Reference: 09/03 C2 Equipment inspection		Non-Compliance Grading: L
Group / Division:	Signals	
Observations:	<p><u>Level Crossing Signals Work (near Darfield)</u></p> <p>A Signals crew were moving existing signals equipment associated with a level crossing's change in position. It was noted that some of the electrical equipment did not have current test tags attached.</p> <p><u>KiwiRail Network Electrical Depot, Otira</u></p> <p>The portable electrical earths used for work on the 3.3Kv supply to the</p>	

	region were overdue for electrical safety testing.
Action required:	The following action is required: <ul style="list-style-type: none"> • Re-check and certify the electrical equipment at the required periods. • The electrical earths must be tested at the frequency required by the Electricity Regulations, (6 monthly).
<i>Response:</i>	<i>No response issued in relation to this condition</i>
Assessment March 2010	<p>Site visits at various locations showed that electrical testing and tagging of portable electrical equipment such as drills, hand saws, grinders etc. was being carried out adequately.</p> <p>However no evidence was provided in relation to testing of portable earths. These portable earths are safety critical equipment and periodic testing is a requirement of the Electricity Regulations 1997.</p> <p><i>Note: On 1 April 2010 the Electricity (Safety) Regulations 2010 came into effect, so an effective response will need to address the new regulation requirements.</i></p>
Condition Status	Open
<i>Response:</i>	<p><i>Copy of 5 yearly checks on earth sticks including the line gangs was provided.</i></p> <p><i>Closure requested. This can be verified at site visit during June assessment.</i></p>
Assessor review 1 June 2011	Response noted and accepted. To be further verified on site in Christchurch on 4 July 2011.
Condition Status	Closed

Reference: 09/03 C3		Non-Compliance Grading: M
Radio Code Compliance Checks		
Group / Division:	Telecommunications	
Observations:	It was stated that Radio Code Compliance checks were overdue because of a lack of staff resources in the Christchurch region. Currently there is a backlog of about 50 radio checks to be done.	
Action required:	KiwiRail Network must provide adequate resources for carrying out the scheduled radio code compliance checks.	
<i>Response:</i>	<i>No response issued in relation to this condition</i>	
Assessment March 2010	No evidence was provided on the provision of resources to address the backlog in testing and the current status of radio checks in Christchurch.	
Condition Status	Open	
<i>Response:</i>		

2.3 Infrastructure

Reference: 06/04 C16		Non-compliance grading: M
Inspection Reports for Private Sidings		
Group / Division:	Operations	
Observations:	<p>During the Safety Assessment the requirement for the issuing of Inspection reports to private sidings was unclear. Various sources stated that they issue inspection reports; however some sources stated there was no requirement to issue them. Document – TMF-9701-OP-0008 (dated June 2005, Revision 1) was presented. However this clearly has a mixture of KiwiRail Network and Transfield Logos and documentation identification, and as such, the use of this document needs to be clarified.</p> <ol style="list-style-type: none"> 1. Is this covered within the NRSSs? 2. Is it a requirement that is placed upon KiwiRail Network by the private siding and stated within the individual Site Safety Plans? 3. Is this document current or has it been superseded? 	
Action required:	The clarification of the requirements for the issuing of inspection reports is needed, as well as distribution to all Staff conducting Inspections, and additionally, visibility of the reports given to the Private Sidings.	
<i>Response:</i>	<i>The matter of private sidings and their inspection/maintenance requirements is currently being addressed by KiwiRail Network</i>	
CVA October 2006	Further action required.	

Condition Status	Open
Assessment April 2007	During discussions with Mr Allan Neilson it became evident that the current documentation relating to Inspection reporting (i.e. M125 & M126 Forms) was ineffective, and a new form (M122 Private Siding / Yard Inspection Report) was presented. The current 125 & 126 documents are susceptible to misinterpretation. This new document allows for instant visibility to the end user as to the condition of their track. However, though this new document is designed to enhance the current process, there was no visibility within any documented procedure or process for the actual use of this document. It was established that an email had been sent out to Regional Managers and Area Managers, but at the time of Safety Assessment no evidence could be provided that this new documentation was in effective use, nor any evidence that a documented process/procedure had been established/created to support its use.
Action Required:	When changes are made that affect the operation, processes and procedures utilised by KiwiRail Network, there is a need to review the procedure that ensures documents required by the system are available at the point of use and are effectively managed.
Condition Status	Open
Response:	<i>The M122 form is available on the OSP as a trial document (Rev: A published 18/01/07) to allow comment from field Staff prior to change in procedure. Feedback is being gathered during field visits as to usability and suitability of form. The changes will come about initially through a SIN, this will then be incorporated into the code when P20 – P29 of the Railnet Code and Instructions for the T100 Track Supplements are reviewed. This is due for completion by the end of 2008. Considered a low priority at this point.</i>
CVA November 2007	The M122 forms are now being used. However, as noted above further work is required to close this condition.
Condition Status	Open
Assessment April 2008	No evidence was available during the assessment to show that progress has been made to address this condition since the CVA.
Condition Status	Open
Response:	<i>This ties to 05/04 S4. (Further discussion on 27 November 2008)</i>
CVA November 2008	M122 is not formally incorporated into the Track Code System as the document needs to be moved from 'Draft' to an approved status or an acceptable alternative implemented.
Condition Status	Open
Assessment March/April 2009	It was agreed in consultation with KRN that due to insufficient evidence being provided, this condition remains open. KRN are to provide further evidence of corrective action.
Condition Status	Open
Response:	<i>Nil</i>
CVA February 2010	Progress was reviewed. Although discussed, a copy of the amended documentation needs to be provided.
Condition Status	Open
Response:	<i>No response issued in relation to this condition</i>
Assessment March 2010	The M122 form was reviewed in use but the design and use of the form is not providing assurance that the processes for follow up to track faults are effective. The condition will remain open until a regime to manage track faults at sidings is implemented and demonstrated to be working effectively. Further given the ongoing nature of this condition, and concerns such as the one mentioned below, the condition rating has also been increased. In addition discussions with the General Manager, Commercial indicated that there are 131 of 167 active sidings that have no agreement in place as to their operation and maintenance. A separate condition has been raised for this purpose.
Condition Status	Open
Response	

Reference: 09/03 C5

Non-compliance grading: M

Track Inspection Report – Hutt Workshops

Group / Division:	Track
Observations:	KRN staff had conducted a track inspection of the yard at Hutt Workshops, but had not provided Hutt Workshops management with a copy of the

	inspection report so that they are aware of the priority level of any repairs required, and any problem areas to be vigilant for.
Action required:	KRN are to ensure that a copy of the yard inspection report is provided to Hutt Workshops management on completion of yard inspections.
<i>Response:</i>	<i>No response issued in relation to this condition</i>
Assessment March 2010	No evidence was provided by Hutt Workshops to address this condition.
Condition Status	Open
<i>Response:</i>	<i>Track has been in a state of decay for many years – no recent changes to areas requiring vigilance. Copy of May inspection provided and high priority repair works schedule signed off by Rob Gordon May 2010. Repair work undertaken June 2010 Subsequent inspection reports will be sent to Rob Gordon – Field Engineer and Track Inspector advised of requirement to provide M126 and M122.</i>
Assessor review 16 September 2010	Response noted and accepted.
Status	Closed

Reference: 09/03 R3**Job Management systems, Greymouth Office**

Group / Division:	Greymouth
Observations:	The Job management systems used by KRN for planning, processing and tracking work were not evident at the Greymouth depot. The systems available at this depot did not cover materials management, code compliance and safety issues adequately. Some aspects of SAP were available but these did not cover the EM80 work for example.
Action required:	The standard job management systems used by the group should be implemented at the Greymouth offices.
<i>Response:</i> 28 August 2009	<i>Verbal response during assessors review at Head Office.</i>
Assessors review 29 August 2009	KRN were able to demonstrate management through systems such as SAP, thus the condition has been down graded from a condition. However, KRN must still review the effectiveness of the system at the depot concerned.
Status	Open
<i>Response:</i>	<i>No response issued in relation to this condition</i>
Assessment March 2010	No visit was made to Greymouth and no additional evidence was provided to address this recommendation.
Status	Open
<i>Response:</i>	<i>Ray's concerns were around the number of different sources and methods for planning maintenance. Some in SAP, others in Track Database. This is being addressed via a project which will introduce Maximo as the new asset database tool and work planning protocol. Ray has been seconded to this project. Request recommendation be closed.</i>
Assessor review 5 August 2010	Response noted and agree that recommendation is being dealt with. Outcomes can be reviewed at subsequent assessments.
Status	Closed

Reference: 09/03 C7**Yard Repairs Timaru****Non-compliance grading: M**

Group / Division:	Track
Observations:	There was evidence that several Priority 1 repairs had been identified in the Timaru Yard. Some of these were highlighted on consecutive track inspections. There was no evidence that many of these repairs had been completed
Action required:	KRN are to ensure that Priority 1 repairs are completed in the allowed timeframe. KRN should also ensure that managers operating in yards are informed when repairs are completed.
<i>Response:</i>	<i>Refer to SIN T044.</i>
Assessors review 29 August 2009	T044 addresses the priority methodology and management of track faults, but has not addressed the track condition, which needs to be addressed.
Condition Status	Down Graded from H to M. Open
<i>Response:</i>	<i>No response issued in relation to this condition</i>

Assessment March 2010	No visit was made to Timaru and no additional evidence was provided to address this condition.
Condition Status	Open
Response:	<i>An Excel list of completed faults (43 in total) that were completed by the end of March 2010 provided as evidence. KR Op's managers are informed on a day to day basis of completed faults along with a consultation process on priorities and concerns they may have. A lot of the priority faults within the Timaru Yard need to be dealt with under a renewals programme.</i>
Assessor review 10 September 2010	Response noted and accepted.
Condition Status	Closed

Reference: 09/03 C9		Non-Compliance Grading: L
Recording Track inspections		
Group / Division:	Track	
Observations:	The status of track inspections is being recorded on the Northern Region Engineering Inspection Register. However, this information is not always being accurately transferred to the main database. For example, Specialised Container services last recorded inspection was the 09 th February 2007, where it was reported that an additional inspection had been conducted on the 24 th January 2008.	
Action required:	Where an alternative register of track inspections are being maintained it is essential that the information is reconciled regularly and that all information on the main database remains current.	
Response:	<i>No response issued in relation to this condition</i>	
Assessment March 2010	No evidence was provided to show that this condition had been addressed.	
Condition Status	Open	
Response:	<i>The line inspector is updating on a monthly basis his spread sheet detailing the status of all inspections and closing out his inspection work orders in the SAP system. Any work resulting from these inspections is being recorded into the ADB as an M126 record.</i>	
Assessor review 16 September 2010	Response noted and accepted.	
Condition Status	Closed	

Reference: 09/03 C10		Non-Compliance Grading: L
Accurate identification of industrial sidings		
Group / Division:	Track	
Observations:	When reviewing the various track inspection reports within the Auckland area, a number of sidings were incorrectly identified. For example, Pacific Steel was identified as either Sims Pacific Steel and/or Otahuhu Pacific Steel.	
Action required:	All industrial sidings must be correctly and consistently identified, thus ensuring contracts, inspection schedules and inspection records remain accurate.	
Response:	<i>No response issued in relation to this condition</i>	
Assessment March 2010	No evidence was provided to show that this condition had been addressed.	
Condition Status	Open	
Response:	<i>As the inspections are completed by the Line Inspector, ADB is now being updated to indicate the correct siding name.</i>	
Assessor review 16 September 2010	Response noted and accepted.	
Condition Status	Closed	

2.4 Railway Operations

Reference: 08/04 C12		Non-compliance grading: M
Rail break hazard with concrete sleeper layer		
Group / Division:	Track	

Observations:	During the sleeper lay at Te Roti, one rail broke causing it to “flick out”. Although nobody was hit by the rail, there was potential for harm, and this hazard was not noted on the hazard assessment plan for the job.
Action required:	A hazard assessment must be conducted regarding the sleeper lay process, to ensure that all existing hazards are identified. Note: Rail break must be added to the hazard register for this process.
Response:	<i>This has been included in the Hazard Register. Evidence attached.</i>
CVA November 2008	The above mentioned hazard still needs to be identified within the appropriate documentation.
Condition Status	Open
Assessment March/April 2009	It was agreed in consultation with KRN that due to insufficient evidence being provided, this condition remains open. KRN are to provide further evidence of corrective action.
Condition Status	Open
Response:	<i>No response issued in relation to this condition</i>
Assessment March 2010	No evidence was provided to show that this condition had been addressed.
Condition Status	Open
Response:	<i>The hazard assessment of tasks has been revised and loaded into the HSE Toolkit. This includes the issue around rail breaks as covered in the document provided.</i> <i>Closure requested.</i>
Assessor review 3 May 2011	Response noted and accepted.
Condition Status	Closed

Reference: 09/03 C14 Non-compliance grading: L	
Completion of Mainline Heritage Approvals using Heritage Excursion Form - P130	
Group / Division:	Heritage Operations
Observations:	The checklist used for confirming that all rolling stock for a heritage operation had been verified was not being completed on the P130 Form. Although the check process was demonstrated to the assessors, there is still a risk that an unregistered vehicle could be used if the checklist is not used correctly and all verifications completed on the form.
Action required:	All relevant sections of the P130 forms should be completed prior to the event occurring.
Response:	<i>No response issued in relation to this condition</i>
Assessment March 2010	No evidence was provided in response to this condition.
Condition Status	Open
Response:	<i>Network Authorities Instruction 10-01 has been released which reinforces the need to confirm the registration status of all vehicles during the processing of an application to run a Heritage excursion. (Copy provided as evidence).</i> <i>Closure requested.</i>
Assessor review 10 November 2010	Response noted and accepted.
Condition Status	Closed

2.5 Personnel

Reference: 07/04 R7 Signals Training	
Group / Division:	Signals
Observations:	The Signals training plan/process defined in CSS/ST011 dated 07/04/97 (page 4 of 11) does not reflect current practice.
Action required:	It is recommended that the Signals Code CSS/ST011 be reviewed.
<i>Response:</i>	<i>KRN is currently reviewing STE training procedures. CSS/ST011 will be updated once we have completed this process. This is currently in draft form and requires sign-off by the Union. This will be completed by the end of 2007.</i>
CVA November 2007	Currently in draft. Completion expected by end of 2007.
Status	Open
Assessment April 2008	It is understood that the plan has now been developed. However, KRN are reported to be waiting for the RMTU endorsement.
Status	Open
<i>Response:</i>	<i>This will be implemented into the new career progression plans. This is expected to be finalised by end of June 2009.</i>
CVA November 2008	As noted above, further action required.
Status	Open
Assessment March/April 2009	It was agreed in consultation with KRN that due to insufficient evidence being provided, this recommendation remains open. KRN are to provide further evidence of corrective action.
Status	Open
<i>Response:</i>	<i>KRN still waiting for the RMTU endorsement</i>
CVA February 2010	This recommendation will remain open until KRN and the RMTU have resolved the issue (e.g., the RMTU endorse the plan).
Status	Open
<i>Response:</i>	<i>No response issued in relation to this condition</i>
Assessment March 2010	No further evidence was address this recommendation.
Status	Open
<i>Response:</i>	<i>The technical content of the signals career progression plan has been completed with final review required by the engineering team. The RMTU have been involved with the review but work continues with endorsement required by all working parties. Next meeting scheduled to review plan is August 2010.</i> <i>Closure requested.</i>
Assessor review 5 August 2010	Response noted and accepted that it is meeting the requirements of this recommendation.
Status	Closed

Reference: 07/04 C 12 Training Records		Non-compliance grading: L
Group / Division:	Human Resources	
Observations:	There is evidence of training being given to KRN employees at a regional level, however, using the example of Signals Christchurch, it is difficult to determine how: <ul style="list-style-type: none"> • training needs are identified • training is applied • how training effectiveness is assessed. 	
Action required:	The process for training employees needs to be reviewed and communicated throughout the organisation. Note: this needs to include the location of training records to ensure that they are accessible where needed (e.g. within the regions)	
<i>Response:</i>	<i>This process already exists and is being documented. This will then be issued for review. Timing of this will be dependant on consultation with the Union. This consultation also includes career path mapping.</i>	
CVA November 2007	Career progression places are being established for <ul style="list-style-type: none"> • signals • relay room • structure • traction 	

	It is expected that these plans will be signed off by managers and the RMTU. These plans will be released in 2008. To be reviewed during the next assessment.
Condition Status	Open
Assessment April 2008	It is understood that the RMTU have agreed this approach, and that these plans are now to be built in to the CEA.
Condition Status	Open
Response:	<i>This will be completed by 31 March 2009.</i>
CVA November 2008	As noted above, further action required.
Condition Status	Open
Assessment March/April 2009	It was agreed in consultation with KRN that due to insufficient evidence being provided, this condition remains open. KRN are to provide further evidence of corrective action.
Condition Status	Open
Response:	<i>Nil</i>
CVA February 2010	As noted in March 2009, insufficient evidence is available to close out this condition. To be reviewed during the March 2010 assessment.
Condition Status	Open
Response:	<i>No response issued in relation to this condition</i>
Assessment March 2010	While work has proceeded with the development and testing of an updated training records management package, this progress was limited to trials that are being carried out in the Central Region. Further work needs to be done to extend this system across the company.
Condition Status	Open
Response:	<p><i>Responding to the initial observations made:</i></p> <ol style="list-style-type: none"> <i>1. training needs are identified</i> <i>2. training is applied</i> <i>3. how training effectiveness is assessed.</i> <p><i>1. Training needs are identified by each Area.</i></p> <p><i>2. Once training has been identified the trainees are placed on a course using the course schedule system coordinated by the KRN training administrator. The schedule is used to provide a view of what training courses are available over the next three months. The training course is then run by KRN training team.</i></p> <p><i>A project will be run in the first quarter of this financial year to provide needs analysis for each area to give clear picture of the skills gaps per region. This will enable the training team to establish training needs which leads to the development of an annual training plan.</i></p> <p>Training History.</p> <p><i>Training records for all KiwiRail Network staff and contractors have been entered into the Training Database. The Training database has been rolled out to all national offices.</i></p> <p><i>A reconciliation process has been completed with the matching of the hard copy records located in Wellington against the locally held area records. Where there have been discrepancies the issue has been reviewed and the training database updated accordingly. This exercise has provided an accurate record of an individuals training.</i></p> <p><i>The next step is to provide a print out of the individual training record, have them validate the record to ensure it is 100% correct. This action will be completed by September 30 2010.</i></p> <p><i>Comprehensive end-to-end training process charts have been developed that cover all training processes. The process charts have been trialled with some area offices to gain feedback and to capture any differing requirements per area.</i></p> <p><i>The documents are in trial mode and will be loaded onto the OSP by 9th of August 2010</i></p> <p><i>3. Training effectiveness.</i></p> <p><i>Training evaluations sheets are distributed to trainees at the end of the course. This data is then reviewed by the KRN Training Manager.</i></p>
Assessor review 4 August 2010	Response noted, to be confirmed at subsequent assessments.

Condition Status	Open
Response: April 2011	<i>The training database has now been fully implemented across the KRN business as demonstrated at today's date. This database is fully accessible to Area Managers and their Area Administrators.</i> <i>Closure of this condition is requested.</i>
Assessor review 6 April 2011	Response noted and accepted.
Condition Status	Closed

Reference: 08/04 C19		Non-compliance grading: L
Britomart Safety Observations		
Group / Division:	Britomart	
Observations:	At Britomart Train Operations Centre training matrices and requirements were sighted by the Assessors. These stated that each Signal Box Controller (SBC) was required to have a safety review every 8 months. RORP 10.1 also dealt with these requirements but the Centre's copy was not able to be shown to the assessors. See also condition 08/04 C26 regarding document control. The Signal Box assessment matrix was viewed, with some SBCs assessment dates found to be overdue. For example, one staff member's assessment was due on 13 June 2007. A plan was discussed whereby all SBCs were to be assessed and brought up to date on Easter Weekend 2008.	
Action required:	That all overdue assessments are conducted, and that the matrices are monitored on a regular basis to avoid this situation repeating.	
Response:	<i>Overdue assessments have been corrected. Section 10.3 of the ROP has been supplied</i>	
CVA November 2008	The above response has not identified the root cause, thus no full corrective action has been identified and implemented.	
Condition Status	Open	
Assessment March/April 2009	It was agreed in consultation with KRN that due to insufficient evidence being provided, this condition remains open. KRN are to provide further evidence of corrective action.	
Condition Status	Open	
Response:	<i>No response issued in relation to this condition</i>	
Assessment March 2010	There was no further evidence provided regarding safety observations and root cause analysis as suggested at the CVA of November 2008. A new software package is being introduced and was trialled in Palmerston North but has not been put into national use as yet. KRN are to provide further evidence of corrective action.	
Condition Status	Open	
Response:	<i>Request closure as all of Network BU is included in the training database which reports competence as demonstrated.</i>	
Assessor Review on-site 23 July 2010	Observed demonstration of training database to confirm this is covered.	
Condition Status	Closed	

Reference: 08/04 C22		Non-compliance grading: M
Competency Expiry Report		
Group / Division:	Track	
Observations:	The "Competency Expiry Report" for staff in the Lower North Island identified a number of employees whose training/competency assessments were overdue, e.g. - R.Hemara (expired 01/11/99) - S.W.Kahui (expired 01/06/04).	
Action required:	The following is required: <ul style="list-style-type: none"> KRN must ensure that employees remain competent in the tasks they perform, or are appropriately supervised, and Records of training and competency must be kept up to date. 	
Response:	<i>This is part of an HR project and should be completed by Feb/March 2009</i>	

CVA November 2008	Further action required as noted above.
Condition Status	Open
Assessment March/April 2009	It was agreed in consultation with KRN that due to insufficient evidence being provided, this condition remains open. KRN are to provide further evidence of corrective action.
Condition Status	Open
Response:	<i>No response issued in relation to this condition</i>
Assessment March 2010	Insufficient evidence was provided to address this requirement. KRN is to provide further evidence.
Condition Status	Open
Response:	<p><i>The Training records for KRN staff have been reviewed and validated according to existing records.</i></p> <p><i>The training database has a reporting function which generates reports for the business, advising of</i></p> <ul style="list-style-type: none"> <i>a) staff with competencies overdue,</i> <i>b) competencies that will expire in three months or less</i> <p><i>Training Database also includes functionality to mark historic competencies as “no longer needed” to avoid any unnecessary training.</i></p> <p><i>The operational safety team use systems which include the training database to provide reports on required revalidations / competencies overdue. The team then schedule the training required.</i></p> <p><i>Request closure due to meeting requirements of condition</i></p>
Assessor Review on-site 23 July 2010	Observed demonstration of training database to confirm this is covered.
Condition Status	Closed

Reference: 09/03 C16

Non-compliance grading: M

Staff Training

Group / Division:	Training and Recertification
Observations:	<p>The following observations were noted separately, however all relate to deficiencies in the training and recertification processes:</p> <p>During a site visit at Wadestown on the Johnsonville Line, Wellington Signals staff member Kaiwa JOSEPH was observed exiting tunnel 4 and protecting 2 contractors. He was asked what protection he was using for the movement and replied ‘Train Control Blocking’. A request was made to see his Mis.70 ITD book entry and he replied that he did not have one, and that he had written the relevant occupancy details on the trouser leg of his overalls. When given a book to fill in he could not demonstrate familiarity with it. Training records (both computerised on Pay Global and file records) for this staff member showed that he was last certified in ITD on 1/11/2004. A sample of other training records revealed expired training as follows:</p> <ul style="list-style-type: none"> • Kaiwa JOSEPH (Wellington) ITD Refresher (1/11/04), Level C Safety Observation (31/3/08), CPR Training (26/2/08); • Robin MORGAN (Wellington) Level C Safety Observation (2/3/08), CPR Training (27/6/08); • Issac ADAMS (Wellington) Level C Safety Observation (18/2/08), CPR 26/2/08, ITD Refresher (no record found); • Ken ASHMAN (Hamilton) CPR Training (26/2/08), ITD Refresher (no record found); • Adrian HOPWOOD (Ashburton) CPR Training (22/5/08); ITD Refresher (no record found). • Training in Wormald Fire Equipment Handling Practical and Theory for Ginny Irvine had expired. • Chris SULLIVAN (Wellington) First Aid Training (1/5/05); Level C Safety Observation (2/4/08), ITD Refresher (no record found). <p>No sampled staff were found that were fully up to date with their training and recertification.</p> <p>Significant discrepancies between the local branch training records at Greymouth and those held in “PayGlobal” were found.</p>

	<p>Records of pole-top rescue, CPR, Basic First Aid and Safe Working Practices were not up to date for the Greymouth region's electrical staff e.g. the records for Otira-based electricians were current to maintain their practising licences, but were not being done at the frequency required for line workers.</p> <p>At Greymouth there were several examples of staff safety observations (8 monthly) that were overdue for renewal,</p> <p>The company has a 'bring-up' reminder system that identifies due training, and allows advanced bookings for training courses. The following points were noted:</p> <ul style="list-style-type: none"> No process for escalating overdue training notifications was evident for when re-training becomes overdue e.g. if a local manager does not get staff retrained on time, how are managers alerted that retraining is necessary? If training is not mandatory it may be allowed to lapse by the manager concerned, but the reason/s for allowing the lapse are not entered into the database. This results in training showing as overdue even though it may have been considered unnecessary.
Action required:	KRN must review and update their training and recertification system to ensure that all levels of training, recertification are being implemented in a timely and controlled manner. Records of such training and recertification's must be maintained. If renewal is not required the database should state the reason for this.
<i>Response:</i>	<i>This is being addressed through Project Reset.</i>
CVA February 2010	This condition was reviewed and it was agreed that further evidence is required to close this condition.
Condition Status	Open
<i>Response:</i>	<i>No response issued in relation to this condition</i>
Assessment March 2010	This condition was reviewed and there were still several areas that needed to be addressed. See also 08/04/C22 and 08/04/C19 above and 10/03 C28 and 10/03 R10 below.
Condition Status	Open
<i>Response:</i>	<p><i>All training records for KRN staff and contractors have been entered on the Training Database and reconciled against area records. Master hardcopy records stored in Wellington, which match database entries.</i></p> <p><i>These records are the most up-to-date records that the organisation hold, and are available to all area managers and area administrators, allowing them to instantly assess if a staff member/contractor is competent and current in a particular area before sending them out on track</i></p> <p><i>Project Reset (once off) and a comprehensive Theory Revalidation process (on going in perpetuity) have been rolled out countrywide, ensuring that all staff have been taught the latest rules and regulations and has their knowledge of these assessed.</i></p> <p><i>Systems are now in place</i></p> <p><i>Request downgrade to medium until we can evidence full compliance.</i></p>
Assessor Review on-site 23 July 2010	Observed demonstration of training database to confirm this is covered. Agree with downgrade to medium non-compliance grading and remaining open until further verified.
Condition Status	Open
<i>Response:</i> April 2011	<p><i>Database fully implemented across the KRN business, as demonstrated on 5 April 2011. Same as 07/04 C12</i></p> <p><i>Closure requested.</i></p>
Assessor review 6 April 2011	Response noted and accepted.
Condition Status	Closed

Group / Division:	Track
Observations:	Hutt Workshops management advised that KRN track inspection staff do not complete site inductions before conducting a track inspection on their site, and nor do they advise Hutt Workshops management that they are conducting the inspection.
Action required:	KRN staff are to complete a site induction before performing track inspections on the Hutt Workshops site and are to sign-in to advise management that they are on site
Condition Status	Open
Response:	No response issued in relation to this condition
Assessment March 2010	No evidence was provided during the visit to the Hutt Workshops.
Condition Status	Open
Response:	<i>Staff (including Area Manager) has visited the site on various occasions, checking in at reception – no mention of required site induction has been made on these occasions. Track inspector has presumably been inducted previously as has been issued with a gate access pass for this specific purpose. Track staff typically report to Richard Mitchell before or on arrival – if this is not suitable please advise alternative.</i>
Assessor Review 16 September 2010	Response suggests that KRN staff need to request that they be inducted and that it be recorded within Hutt Workshops system. Response also says they are checking in at reception, but given the initial observation does this mean they are not actually signing in? Confirmation that inductions have been done and sign-ins are occurring is required before this can be closed.
Condition Status	Open
Response: April 2011	<i>The Area Manager has requested his ganger to ensure that he gets some written confirmation of induction for his own records and that of the Area Manager for file. There has been no work undertaken there for a while but will ensure that this is followed and Area Manager will continue to reinforce requirement with his people. Closure requested.</i>
Assessor review 6 April 2011	Response noted and accepted.
Condition Status	Closed

Reference: 09/03 C18		Non-Compliance Grading:	L
Contractor Management			
Group / Division:	Greymouth		
Observations:	At the time of the assessment it was reported that <i>"There was no real control exercised over contractors working on the rail network. There was no information or records available of what contractors were approved, inducted and trained for use on the network (with the exception of labour hire personnel)"</i> . This was reviewed at Head Office, where it was noted that this information can be accessed through the 'R' Drive. However, the question remains as to why this information could not be provided during the assessment at Greymouth.		
Action required:	Contractors must be selected according to prescribed criteria, engaged, inducted and their training records retained in a format accessible to all sites throughout New Zealand as evidence of their competency.		
Response:	No response issued in relation to this condition		
Assessment March 2010	No visit was made to Greymouth. However evidence from other sites that were visited did not provide assurance that contractor selection and monitoring is consistent and structured.		
Condition Status	Open		
Response:	Ray's concerns have been addressed through the issue of preferred supplier agreements with the main contractor groups for excavator hireage. This has seen a robust interrogation of the contractor's safety systems and management systems. Contractor training records for rail safety are now held in the company database and managed by the Training Team.		

Assessor review 5 August 2010	Response noted and accepted.
Condition Status	Closed

Reference: 09/03 C24		Non-compliance grading: L
Follow up to incorrect answers on Train Control Assessments		
Group / Division:	Network Control	
Observations:	Employee training records for staff were observed as being marked. It was noted that a minimum pass mark of 80% was set for each module. These marks are recorded and the failed questions are noted in the employees answer sheets. The KRN Operating Procedure S10.3, page 30 states that failed questions are to be identified and reconfirmation of understanding carried out. This was stated to occur but there are no records kept to verify that this reconfirmation actually took place.	
Action required:	Suitable means of recording the reconfirmation of understanding must be established.	
Response:	<i>No response issued in relation to this condition</i>	
Assessment March 2010	It was agreed with the Manager, Network Operations that further information was necessary to close out this condition.	
Condition Status	Open	
Response:	<i>Revised staff 23 form created for TC staff to address this condition. Copy provided.</i>	
Assessor review 4 August 2010	Response accepted.	
Condition Status	Closed	

2.6 Accidents, Incidents and other Occurrences

Reference: 08/04 C23		Non-compliance grading: M
Reporting of trespass incidents to Police		
Group / Division:	Signals	
Observations:	During the reinstatement of the signals, the driver of a Line Works vehicle (Rego - CRA 652, TSL - 75286) was observed 'zigzagging' between the lowered barrier arms while the red stop lights and audible warning bells were in action. The incident was recorded as happening at 10:53am, and reported to a Palmerston Police Officer (id badge No Z642, Police report #0804102552) by Anna Cleary (Land Transport NZ) at the end of the day's activities. At the time of the incident Train Control relayed the message that they were not interested in reporting this incident to the Police, and the KRN crew at the site were also reluctant to take the incident any further. There was no process evident for the KRN site staff to follow to report such incidents. Land Transport NZ also reported the incident to the Land Transport NZ Commercial Road Transport Investigators. Additionally it was discovered that staff and contractors on DART do not report trespasser incidents, and regularly 'ignore' trespassers, but will sometimes do a 'summary guesstimate' as to trespasser numbers at meetings at the end of working weeks.	
Action required:	That KRN develop an easy process for its field and Train Control staff to report level crossing and trespass incidents to the Police. That KRN stress to its staff and contractors the importance of reporting such incidents to the Police.	
Response:	<i>This is to become a component of Operations Support function. Completion estimated April 2009.</i>	
CVA November 2008	As noted above further action required.	
Condition Status	Open	
Assessment March/April 2009	It was agreed in consultation with KRN that due to insufficient evidence being provided, this condition remains open. KRN are to provide further evidence of corrective action.	
Condition Status	Open	
Response:	<u>Response Verbal.</u> <i>A process has been established where all incidents regardless of type and</i>	

	<i>location which occur in the rail corridor are reported to the rail operators help desk (155). These are managed by the NCM's as appropriate. Ongoing visibility will be seen in the new release of IRIS (post April 2010).</i>
CVA February 2010	This condition will be held open until the new version of IRIS has been released April/May 2010.
Condition Status	Open
Response:	<i>No response issued in relation to this condition</i>
Assessment March 2010	No further evidence to indicate that IRIS had been released was provided and this condition remains open.
Condition Status	Open
Response:	<i>Response 29/07/2010 IRIS has now been implemented and has created a single system for all incidents to be managed from. Closure requested 29/07/2010.</i>
Assessor review 5 August 2010	Response noted and accepted.
Condition Status	Closed

Reference: 09/03 C26 Management of TAIC Recommendations		Non-compliance grading: L
Group / Division:	Corporate	
Observations:	There are a number of TAIC recommendations remaining open for an extended time e.g., 25/05, 46/05, 97/05/ 98/05.	
Action required:	TAIC recommendations must be reviewed and reported in a timely manner. It is also recommended that a formal process for addressing these be established.	
Response:	<i>No response issued in relation to this condition</i>	
Assessment March 2010	The system for responding to TAIC recommendations relating to KRN was not covered.	
Condition Status	Open	
Response:	<i>New reviewed process. As per letter to Jim Quinn dated 19 September 2010 a new process has been agreed by all parties for outstanding recommendations from TAIC. As part of this process KRN will work with NZTA to ensure that full and final acceptance of all outstanding recommendations is achieved. This process has an agreed date for mid December 2010. Process for current recommendations are that they are entered into IRIS on receipt of a final report and monitored through this process. Closure requested as we have addressed dealing with the past and created process for dealing with the future.</i>	
Assessor review 10 November 2010	Response noted and accepted.	
Condition Status	Closed	

Reference: 09/03 C28 Fall Arrest Harness Equipment		Non-compliance grading: M
Group / Division:	Inventory	
Observations:	The fall arrest harness and safety cage used for the examination and replacement of light fittings on warehouse ceilings was inspected. It was found that the harness had not inspected since it was purchased and there was no indication of inspection on the cage. It was also noted that the hook on the lanyard for attaching the harness to the cage was not big enough to attach to the cage rails.	
Action required:	Fall arrest harnesses are required to be inspected by a qualified person every six months to ensure the safety and reliability of the equipment. There should also be some indication that the safety cage meets the relevant standards.	
Response:	<i>No response issued in relation to this condition</i>	
Assessment March 2010	No evidence was provided for this condition.	
Condition Status	Open	
Response:	<i>Item has been actioned. Alan Waterfield has inspected and dated harness. This item to be verified by Internal Assessment 3/08/2010.</i>	

	<i>Apply for closure</i>
Assessor review 4 August 2010	Response accepted.
Condition Status	Closed

2.7 Document Control

Reference: 08/04 C26		Non-compliance grading: M
Onsite document control by KRN & Contractors		
Group / Division:	Corporate	
Observations:	<p>That the documentation held by KRN and by contractors engaged by KRN is lacking in detail and adequate control. Examples of this were:</p> <ul style="list-style-type: none"> - No copy of the KRN rail operating code available at Kai Iwi site. - Noise monitoring was conducted to establish realistic sound levels at Kai Iwi; however the calibration status of the equipment used to monitor the sound levels was unknown. - The Kai Iwi Tunnel Environmental Management Plan was dated 14 November 2007 and had a revision status of draft. Other documents in the Kai Iwi quality control plan were listed but again failed to clearly identify revision status. - The Contract Quality Plan held by the contractor, including pages regarding Quality Control & Inspection outlined no document numbering system for documents, and not all documents were onsite - e.g. the Traffic Control document - despite the Plan stating that they would be. - The contractor had a fuel pump onsite, but no fuel-handling certificate was held on the site. - The contract quality plan was prepared and approved by contractor staff in November 2007. There is no evidence on the document presented of KRN's approval. - R.O.R.P held at KRN Taihape depot hard to locate, when found, had last been updated 16/02/03 - Railnet code versions going unchecked for periods of over 2 years e.g. T.Moore's copy was last checked by P.Dix 13/10/05 - No copy of the Site Safety Plan held onsite at Sturges Rd DART Site C. Staff assumed they were working under Sturges Rd main plan. No copy of the contractor's Safety Plan that staff were to be working in conjunction with was available onsite and it was believed to contain Traffic Management plan. <p>At Britomart Train Operations Centre training matrices and requirements were sighted by the Assessors. These stated that each Signal Box Controller (SBC) was required to have a safety review every 8 months. RORP 10.1 also dealt with these requirements but the Centre's copy was not able to be shown to the assessors. See also condition 08/04 C19 above.</p>	
Action required:	<p>That a system is put in place whereby all required documentation is held at all KRN and KRN contractor sites. That all other documentation – outdated etc – is purged and that both of these processes – the holding and the purging – are checked or carried out on at least a yearly basis.</p>	
Response:	<p><i>The issue of updated codes and code supplements to KRN sites and the provision of relevant information to allow KRN Contractors to complete their contract works as required by their Contract and in accordance with KRN safety procedures (which are included as part of the specification). Issuing of updated code documentation to KRN sites is managed through the Library, who issue updated code documents to holders of controlled copies of the relevant code. This is a managed process and examples of the covering instructions which accompany the release of a code update are attached. The codes are available on the KRN Intranet and any KRN employee can access code documents through this means.</i></p> <p><i>For external Contractors, code copies are not issued as part of contract procedures. It is a requirement for Contract formation that each Contract Specification holds all relevant information relating to the performance of the contract and required standards (including any Code excerpts) for the</i></p>	

	<p><i>works to be delivered under the Contract. At this stage it is not intended to change this Contract document structure.</i></p> <p><i>For Kai iwi, the contractor had protection for rail operation provided for him and the protectors who were external to the contractor are required to have the Rail Operating Code. Engineering staff responsible for the preparation of Contract documents have been reminded that these should include any Code Excerpts required for the performance of the Contract.</i></p> <p><i>As a reminder to the internal KRN holders of Codes, an email will be issued by the KRN library giving the shortcut to the location of the codes on the Intranet.</i></p>
CVA November 2008	The issue of the condition relates to the management of the documentation on site. The above response is accepted with respect to the issuing of documentation but not site document control.
Condition Status	Open
Assessment March/April 2009	It was agreed in consultation with KRN that due to insufficient evidence being provided, this condition remains open. KRN are to provide further evidence of corrective action.
Condition Status	Open
Response:	<ul style="list-style-type: none"> <i>It is entirely up to the contractor to maintain and update their documents on site, for example; Health and Safety Plan, Environmental Management Plan, Quality Assurance etc.</i> <i>Rail specific documents such as the KRN Rail Operating Code are held by the appointed protector on site.</i> <i>It is a condition of Contract that "the Contractor shall only use drawings issued "for construction" to execute the contract works and shall at all times only use the most recent revision of any drawing issued by the Principal" as per Clause 2.8.2</i>
CVA February 2010	Response is acknowledged, however, this needs to be reviewed onsite during the March 2010 assessment.
Condition Status	Open
Response:	<i>No response issued in relation to this condition</i>
Assessment March 2010	<p>In view of the general lack of systems for selection, engagement and monitoring of contractors that were noted at various points during this assessment this condition will be left open until these systems are established in full.</p> <p>It may be the responsibility of the Contractors to manage various documents but it is KRN's responsibility to manage this process and ensure that it is done in accordance with specified requirements.</p>
Condition Status	Open
Response:	

Reference: 07/04 C17
Code Update

Non-compliance grading: H

Group / Division:	Engineering
Observations:	<p>A number of Code supplements are out of date, and/or memos have been used to override the Codes, which themselves have become outdated. For example:</p> <ul style="list-style-type: none"> CWS0301: A memo was released on 16 March 2006 specifying a change to the symbols used in the Code dated 1 September 1997 (no SIN raised), CWS0302 clause 6, references responsibilities for the TSL Contract Manager which are no longer applicable <p>W200 clause 6.2 refers to Rule 228 which is now obsolete.</p>
Action required:	A structured process needs to be established for the review and amendment of Codes and Code supplements.
Response:	<i>The Engineering and Operations Groups have an objective to undertake a complete review of all codes and code supplements including for track the T200. The will be completed by the end of 2009. Action by Engineering Manager</i>
CVA November 2007	Progress to be reviewed during future assessments.
Condition Status	Open
Assessment April 2008	Progress in the review of Code Supplements is slow due to the lack of resources for this project.

Condition Status	Open
Response:	<p>Work is in progress to establish which of the four following categories applies to each code which has passed the review date:</p> <ul style="list-style-type: none"> • Code requires technical updating • Existing code refers to a previous organisation structure but is technically adequate • Existing code has passed a review date but is satisfactory to continue without specific updating • Code no longer required <p>Code updating continues to progress under the management of each of the Technical Committees which oversee the relevant codes. Work is in hand and is expected to meet the 2009 deadline.</p>
CVA November 2008	Progress is being made, however not yet complete.
Condition Status	Open
Assessment March/April 2009	Progress in updating these documents is being managed. There are still approximately 200 documents to up date.
Condition Status	Open
Response:	The review of code supplements continues, priorities set and is regularly monitored. A dedicated resource has now been provided to accelerate the process.
CVA February 2010	It is acknowledged that progress is being made. However, the condition will remain open until the project of review and amendment has been completed.
Condition Status	Open
Response:	No response issued in relation to this condition
Assessment March 2010	<p>Based on initial response in 2007, this condition has been modified to apply to both Track and Structures documentation.</p> <p><u>Structures:</u></p> <p>The total outstanding is about 42 documents. Twenty one (21) have been accorded Priority 'A' status, and the stated aim was to review these at the April Technical Committee Meeting and re-issue soon after.</p> <p><u>Track:</u></p> <p>All the Track documentation has been prioritised for action. The two main documents are T 003 (the Track Code itself) and T 200 (the Infrastructure Engineering Handbook). The stated aim is for T 200 to be issued by Christmas this year. No target was nominated for T 003. While both the above await action, the National Track Manager is considering a Design Code for track works. While the need for new codes is to be commended, the backlog around old, and 'expired' documentation must not be allowed to sit idle.</p> <p><u>Other related documentation:</u></p> <p>Also outstanding, are all the old "CSG" (Code Supplement General) Codes. These do not appear to have an "owner" within the organisation.</p> <p>The overall status of all critical (and other related Code documentation) must be re-assessed by the Engineering Standards Manager. Many of the Codes show expiry dates from the mid to late 1990's indicating that little coherent urgency has been given to this basic essential to Ontrack's business over the entities entire lifetime.</p>
Condition Status	Open
Response:	

Reference: 09/03 C30		Non-Compliance Grading: M
Document Control - Arahura Bridge Project		
Group / Division:	Greymouth/Wellington	
Observations:	The contractor's (HEB) site health and safety plan had different revision numbers on different pages. The cover page stated Revision 5 and other pages were Revision 1 and Revision 3. There was no evidence that the changes had been submitted to the Project Manager in Wellington for approval as required.	
Action required:	KRN must monitor the contractor safety plans and ensure that they are valid and approved for use.	
Response:	No response issued in relation to this condition	

Assessment March 2010	No evidence was provided for this condition.
Condition Status	Open
Response:	<p><i>The cover page of the health and safety plan stated the plan was revision 5. Some following pages were designated revision 1 and others revision 3.</i></p> <p><i>Actions have been taken to rectify this audit condition. The contractor was requested to provide an updated site health and safety plan.</i></p> <p><i>The most recent revision of the plan was revision 7. The project manager reviewed the plan sent by the contractor and checked the document revision status was correct.</i></p> <p><i>The health and safety plan status was further reviewed by Peter Steel, Samuel Grave and Richard Keenan during a meeting on 5 November 2009 and found to have the revision status consistent through the document.</i></p> <p><i>An email has been sent to all Structures staff and major project directors involved in the management of contracts reminding them to check that the site Health and Safety Plans for their contracts are up to date, consistent with their revision status and approved for use.</i></p> <p><i>Rail audit condition 09/03 C30 is closed out.</i></p>
Assessor review 5 August 2010	Response noted and accepted.
Condition Status	Closed

Reference: 09/03 R9	
Structures Project Management Folders	
Group / Division:	Engineering Structures
Observations:	The Arahura Bridge Project Manager's folders, while well kept, were not all true to label and file dividers observed were by month, but didn't correlate with the folder contents.
Action recommended:	Folders to be tidied up and labelled correctly so they can be understood quickly in the Project Manager's absence.
Response:	<i>No response issued in relation to this condition</i>
Assessment March 2010	No evidence was provided for this recommendation.
Condition Status	Open
Response:	<p><i>Actions have been taken to rectify this audit condition. All folders have been labelled "Arahura Bridge Replacement" and the folder contents written on the outside of the folder so it is clear what the contents are.</i></p> <p><i>Within each folder, numbered tabs have been used to separate the folder contents. A cover page is included at the start of the folder which lists the tab numbers and the particular information held within each tab number.</i></p> <p><i>The folder contents were reviewed by Peter Steel, Samuel Grave and Richard Keenan during a meeting on 5 November 2009 and found to be acceptable.</i></p> <p><i>And email has been issued to all ONTRACK Wellington staff involved in the project advising how the files are now structured.</i></p> <p><i>Rail audit condition 09/03 R9 is closed out.</i></p>
Assessor review 5 August 2010	Response noted and accepted.
Condition Status	Closed

Reference: 09/03 C31	
Code Compliance Inspection - Electrical	
Non-Compliance Grading: L	
Group / Division:	Electrical Services, Christchurch
Observations:	It was not clear how the 5-yearly code compliance inspection records are entered into SAP in order to raise remedial work orders.

Action required:	The SAP system needs to be set up so that the electrical inspection requirements can be entered for future scheduling.
<i>Response:</i>	<i>No response issued in relation to this condition</i>
Assessment March 2010	No evidence was provided to demonstrate that 5-yearly code compliance checks have been entered to the SAP system.
Condition Status	Open
<i>Response:</i>	<i>Electrical asset data collection project is underway for entry into Sirius (Maximo). KRN see no value in amending SAP at this stage.</i> <i>Closure requested.</i>
Assessor review 3 May 2011	Response noted and accepted.
Condition Status	Closed

Reference: 09/03 C32		Non-compliance grading: M
Document Control – Signals Commissioning Checklists		
Group / Division:	Signals	
Observations:	Several out-of-date Signals commissioning checklists were available on the KRN Intranet. While it efforts had been made to update the OSP site, older versions of the same document were still available for use on the boco.nzrc.local site. There were also out of date forms available in the M:\Signals\Documents\Signals Forms Folder.	
Action required:	KRN are to ensure that all outdated checklists are removed from the intranet and that all staff are briefed as to where up-to-date copies are located.	
<i>Response:</i>	<i>All signals documents are in the process of being reviewed by the STE Manager and Technical Committee prior to being loaded on the OSP.</i>	
CVA February 2010	This condition will remain open until the review has been completed and signals documents loaded in to the OSP.	
Condition Status	Open	
<i>Response:</i>	No response issued in relation to this condition	
Assessment March 2010	No evidence was provided that the review by the STE Committee has been completed and this condition remains open.	
Condition Status	Open	
<i>Response:</i>	<i>The signals checklists are loaded in the OSP. No testing documents are located in the M drive or on the "boco site".</i> <i>Meeting held with Russell Wadsworth, 7 April where demonstrated that all outdated checklists have been removed from intranet and M drive.</i> <i>Closure requested.</i>	
Assessor review 3 May 2011	Response noted and accepted. Relevant current STE forms still accessible.	
Condition Status	Closed	

Reference: 09/03 C34		Non-compliance grading: L
SAP Material Forms		
Group / Division:	KiwiRail Network Inventory	
Observations:	The SAP Monitoring forms had been updated from version 0 to version 1 but some of the old forms were still in use. It was also noted that one person was using these forms with photocopied authorising signatures to indicate approval had been given.	
Action required:	The correct version of forms must be used and signed each time they are issued rather than using photocopies.	
<i>Response:</i>	<i>No response issued in relation to this condition</i>	
Assessment March 2010	No evidence was provided to show that these processes had been addressed.	
Condition Status	Open	
<i>Response:</i>	<i>Attached is the last updated SAP form. (Peter Dix has)</i> <i>As you can see it requires updating again to Kiwirail Network.</i> <i>We are still getting occasional old forms that we deal with on a case by case basis.</i> <i>This item will continue to be monitored through internal assessments under</i>	

	<i>doc. Control element</i> <i>Apply for closure.</i>
Assessor review 5 August 2010	Response accepted on the understanding that Peter Dix will confirm through internal assessment.
Condition Status	Closed

SECTION 3

Conditions and Recommendations Identified in Current Safety Assessment

3.1 Management Responsibility

Reference: 10/03 C1	Non-compliance grading: M
Equipment maintenance certification expired	
<p>Observation:</p>	<p>Vehicles and/or plant were noted with emergency and other equipment beyond certification and/or expiry date. In one case, detonators were located exhibiting either a manufacturing (or expiry) date of '98'; ie. the items at best were at least seven (7) years past expiry date or at worst, possibly twelve (12) years out-of-date.</p> <p>Items noted (including location and associated vehicle) were:</p> <ul style="list-style-type: none"> ▪ on track at 187.500 km MNPL –Fire Safety Equipment with a last test date of 2008 (vehicle EEB 829) ▪ on track at 187.500 km MNPL – Palfinger with no 155 certification sticker and an independent third party cert with and 2009 expiry date (vehicle CRH 407). ▪ Eltham – FSE with a last test date of Feb 2008 (vehicle CYY 216) ▪ Waitotara – Detonators with a manufacturing, or expiry date, of 1998 (Mobile Plant Unit MMY 18) ▪ Tokomaru – Detonators with an expiry date of 13 Oct 2009 and Track Jacks with a 155 label notating recertification required January 2010 (Vehicle DDU 489). Note: No '155' label was able to be located for the vehicle! ▪ Tokomaru – Three packs of detonators all with expiry dates of 29 Sept 2009. The chainsaw on this vehicle also exhibited a 155 label indicating its certification expired in February 2010. (Vehicle DDU 493). <p>Checks of monthly drivers' inspection forms (for a small selection of these vehicles) showed the items identified above had not been detected.</p> <p>Further cross checks with Plant Records showed-</p> <ol style="list-style-type: none"> (a) the 155 inspection check sheet used for mobile plant has no requirement to check the currency of detonators, and that (b) while in most cases the deficiencies had been noted with respect to detonators, the "inspection and release to service process" did not prohibit these vehicles from being returned to service with essential rail safety protection equipment in an expired (or soon to be expired) state. The position adopted was that the vehicle met all safety requirements to be on the road (the prime rationale for the checks), and that rail safety equipment (for operational purposes) was a matter for the assigned vehicles manager to address. Plant's policy was to advise the Manager independently of the inspect process. Clearly this process, as noted above, has deficient elements. <p>Numerous items of plant at different work sites (from Palfinger type lifting devices, to track jacks and other others items were noted with no 155 stickers, or indecipherable stickers.</p> <p>In addition the following observations were made in the Hamilton Region: During the site visits conducted numerous items of equipment were sighted either outside prescribed inspection date, no inspection/check status identified on the equipment, hard hats replacement period out of date or had been marked up with a felt pen and contractor equipment (excavators) not having a current '155', external certifications (e.g. electrical, SGS certificates) and first aid kits containing out of date items. From the number of examples sighted it would appear that this is a systemic issue.</p> <p>Specific Examples sighted:</p> <p>Site: Boltons Road</p> <p>Vehicle FDR 463</p> <p>Burn Gel in first aid kit was outside expiry date of 2009/03</p> <p>Hard hat had been marked up with a felt pen (this item was removed from</p>

	<p>service).</p> <p>Following equipment had no 155 label, hydraulic Jacks, rail grinder, rail shear and the Tenaka drill.</p> <p>No current SGS certificate for the lifting arm</p> <p>Fire extinguisher had no inspection tag</p> <p>Contractor equipment (Woods Moyle)</p> <p>Excavator on site had no 155.</p> <p>It is acknowledged that this piece of equipment was not in use at the time of the site visit.</p> <p>Mangapehi</p> <p>Contractors equipment:</p> <p>Excavator and Maroooca. Flags and detonators were not in the cabs of these vehicles.</p> <p>Acknowledged one set of such equipment was in the utility vehicle that was being used by the contractors.</p> <p>Porootarao/Waimiha</p> <p>Contractor equipment (Woods Moyle)</p> <p>Excavator 155 had expired</p> <p>Vehicle DSS 967</p> <p>No 155 label on vehicle</p> <p>No Saline solution in the first aid kit</p> <p>One pack of the detonators detailed expiry date 09/09</p> <p>All hard hats at the site had passed prescribed replacement dates (acknowledged prompt remedial action was taken to arrange for replacement hats to be supplied).</p> <p>Taumarunui Yard</p> <p>Structures Gang</p> <p>Vehicle DLH 530</p> <p>Bandage in first aid kit detailed expiry date 2005</p> <p>Track Inspector</p> <p>Vehicle DKR 376</p> <p>A number of items contained in the first aid kit had passed the prescribed expiry dates.</p> <p>Te Awamutu (Frog Replacement)</p> <p>Vehicle CQD 571</p> <p>No 155 label on vehicle</p> <p>First Aid kit last inspected May 2008.</p> <p>One pack of detonators labelled with a manufacturing date of 16 June 2008 and expiry 16 June 2013. However on inspection of actual detonators in the pack it was noted the manufacturing date on the detonators was 1997.</p> <p>Ballast Cleaner E7M567</p> <p>Generator electrical certification expired 14/01/10.</p> <p>Mechanical Workshop Hamilton</p> <p>No record of calibration could be found for the 'Megga' tester held in the mechanical workshop. Further investigation indicated that the tester had not been checked since 2008.</p> <p>From initial discussions the main cause appears to be a lack of resource. Those examples relating to contractor equipment and first aid kits are also covered under the condition relating to management of contractors.</p>
Action required:	<p>Review all inspection and verification systems for the safe use of plant and equipment to identify the extent, and range, of present and potential deficiencies. The review should as a minimum cover systems, responsibilities, and verification methodologies.</p> <p>Depending on the findings and decisions arising, implement either enhanced systems and/or improved verification practices to ensure full compliance with safe working requirements and operational Codes.</p>
Condition Status	Open
Response:	<p>Detonators: Fire extinguishers & First Aid kits are visually inspected by mechanical team and noted on 160a form (copy provided). This 155b inspection is a mechanical inspection not responsible for operational</p>

	<p>requirements. The operational inspection and vehicle monthly check sheet is performed by the Manager and the driver of the equipment. The safety observation covers the above mentioned operational equipment. The operational equipment is also noted on the 160a form and the driver is informed, the manager is then sent a copy if an item is out of code.</p> <p>Crane certification: Plant and Equipment now have access to SGS database (read only). We still have our own database. The new system enables Plant & Equipment supervisors immediate access to see what is code compliant instead of waiting for certificates. We now also do one of the following so operators can check if crane is within code. A 155b transfer is attached to crane or an SGS transfer attached to front window. This is done at time of inspection. If crane fails test it is danger tagged.</p> <p>Contractors: It is the hirer's responsibility to make sure any diggers or trucks put on the network are code compliant. There is a data base on the R Drive to check this. Again detonators, flags etc are an operational check on safety observations.</p> <p>Drivers responsibility: Drivers of hi-rail equipment are responsible for the following: Make sure 155b is current All operational equipment is code compliant Fill in monthly vehicle check sheet</p> <p>Hamilton Area plant: Plant & Equipment have now employed another full time fitter in this area. This has solved the issues with keeping equipment code compliant. The megger meter test & small plant on track machines has not got more resources to help meet compliance targets.</p> <p>Closure requested</p>
Assessor review 1 June 2011	Response noted and accepted.
Condition Status	Closed

Reference: 10/03 R1	
Lead safety performance indicators	
Observation:	While the HR section of KRN have a number of safety performance KPI's most of these are of the lag indicator type. The group is working on developing lead indicators, but in discussions, many of these while preventative biased, were unlikely to provide much in the way of predictive type information.
Action recommended:	The HR section should look closely at the types of indicators they are considering, and review each indicator's ability to provide predictive (lead) information. This will help KRN identify activities and/or processes are not working as intended, and provide a sufficient period for corrective and preventative initiatives to be developed, tested and implemented before an adverse situation develops.
Status	Open
Response:	<i>There has been some work done to identify lead indicators. Provided is a copy of KRN Zero Harm Strategy. Closure requested.</i>
Assessor review 3 May 2011	Response noted and accepted.
Condition Status	Closed

Reference: 10/03 C2	
Contractor Management	
Group / Division:	GM Commercial
Observations:	The systems for contractor management across the company, while developed are not implemented consistently across the company
Action required:	The procedures for selection, induction, management and monitoring

	of contractor and sub-contractor performance must be managed and utilised in line with documented organisation system process.
Condition Status	Open
Response:	<i>All Contractors used by Property are inducted onto site; the relevant management personnel in charge of the building are advised of the work to be carried out and the necessary safety matters that are to be attended to by them. Regular checks are maintained of the contractors by KR staff or by a nominated Project Manager on our behalf.</i> <i>I consider that this condition can be closed.</i>
Assessor review 5 August 2010	Response noted and accepted.
Condition Status	Closed

Reference: 10/03 C3		Non-compliance grading: H
Ports and sidings agreements		
Observations:	It was stated that new agreements are to be established between KRN and all users of rail in ports and sidings, (of 167 active sidings there are 131 with no formal agreements in place).	
Action required:	All users of active rail sidings, (either at ports or other network locations), must have formal operating agreements in place.	
Condition Status	Open	
Response:	<i>Being worked through by Lease Managers. It will take approx 12 months to get agreements in place over the operating sidings. Pro forma agreements documents have been approved by KR.</i> <i>Priority system developed for delivery with a target of three agreements per week per lease manager. The three lease managers will be appointed and functional on this by end of September at which time this target will begin to be monitored.</i> <i>Request that this be reduced to a Medium for the duration of the project as long as evidence of continued implementation is visible at quarterly reviews.</i>	
Assessor review 5 August 2010	Response noted and regrading accepted. To be reviewed at subsequent assessments.	
Condition Status	Open	
Discussed 24 March 2011	No additional evidence provided to show that implementation is proceeding as proposed.	
Assessor review 7 April 2011	Comment noted and given the slow progress on this key condition it now reverts to a "High" non-compliance grading.	
Condition Status	Open	

Reference: 10/03 R2	
Monthly Reports - Structures	
Observation:	While reviewing the role of the Area Manager at Stratford, it was noted that the structures monthly report does not differentiate between the Manager for the Taranaki area and the Manawatu.
Action required:	Separate the monthly reports to the Area Manager's of Taranaki and Palmerston North so each has clear visibility of the respective performance of the groups they have responsibility and accountability for.
Status	Open
Response:	<i>Currently one member of the Structures team separates Taranaki and Palmerston North out in his reports as he does them by area, however another member of the team does his by inspectorate and Taranaki does not exist yet.</i> <i>This issue will be resolved when Maximo (Asset Management Database) comes on stream in the middle of next year.</i> <i>Closure requested for this recommendation.</i>
Assessor review	Response noted but closure not accepted as issue yet to be resolved.

10 November 2010	Review at next assessment.
Status	Open
<i>Response:</i>	

Reference: 10/03 R3
Quantate Risk Profiles

Group/Division:	HR
Observation:	<p>KRN has in recent times adopted 'Quantate' as its software system for managing its network and engineering risk information. Project risks are undertaken utilising Excel based spreadsheets.</p> <p>While the Excel systems are ideal in many ways for evaluating and screening the risks associated with projects, the information is not automatically transferred to 'Quantate' to build a complete picture of the organisations risk profile. This means future project planning may be handicapped by shortage of past events that beset previous projects and those undertaking evaluations of them do not necessarily have a complete dataset of problems and issues the organisation has already experienced. This potentially could result in the organisation under-rating its project risk profile.</p>
Action recommended:	KRN give consideration to incorporating some, or all, of its risk profile information into Quantate, to provide it with a better and more complete picture of past events.
Status	Open
<i>Response:</i>	

Reference: 10/03 C4

Non-compliance grading: M

Contractor safety equipment certification, Hamilton

Observations:	<p>During the site visits and inspection of vehicles in the Taumarunui yard numerous instances were sighted where contractor equipment had no current 155b status and first aid kits contained items that had exceeded prescribed expiry dates.</p> <p>The number of occurrences identified indicates that some further attention is required with regard to the management off contractors.</p> <p>It is acknowledged from subsequent discussion that an internal audit will be conducted at the next first aid kit inspection (conducted by an outside service provider) at the Taumarunui depot.</p>
Action required:	The management of contractors requires to be improved with regard to qualification of plant and equipment (155b's) and appropriateness of service being provided i.e. first aid kit inspections.
Condition Status	Open
<i>Response:</i>	<p><i>Contractors 155b – A general reminder to all Contractors under my control stating, their responsibilities to ensure that they organise recertification for their plant & Hi rail vehicles. Attached will have contact details of the local Fitter as well as Dave Martin's.</i></p> <p><i>Non compliant plant & Hi rail vehicles will not be allowed to be used on the rail corridor.</i></p> <p><i>Copy of email to contractors etc available.</i></p> <p><i>First aid kits – The provider has been notified, and will check at next inspection (Oct 10), it is our belief that some kits may have missed the last inspection.</i></p> <p><i>There will be a thorough audit at the next inspection to ensure no kits will be overlooked.</i></p>
Condition Status	Open
<i>Response:</i> <i>April 2011</i>	<p><i>The email sent to contractors was provided as evidence as per previous comment.</i></p> <p><i>The First Aid kits have been fully audited. Copies of checks provided as evidence, These were completed in November not October due to provider commitment.</i></p> <p><i>Closure requested.</i></p>
Assessor review 6 April 2011	Response noted and accepted.
Condition Status	Closed

3.2 Mechanical Safety

No conditions or recommendations were raised during this assessment

3.3 Infrastructure

Reference: 10/03 C5 Radio Communications, Heritage Operators		Non-compliance grading: M
Observations:	The new project for Radio Network Upgrade that is being rolled out over the next 6 months will result in changes to the type of radios and number of channels that are used between locos and Train Control. At present there does not seem to be any provision made to ensure that Heritage Operators make the necessary changes to their radio systems.	
Action required:	Heritage operators must be informed of any changes that they are to make to their radio communication systems. Any testing or validation that is necessary with these operators must be carried out during the radio network upgrade.	
Condition Status	Open	
Response:	<i>Copy of Code Supplement S/RA-003 provided as evidence of new instructions issued effective 1/07/2010.</i>	
Assessor review 10 September 2010	Response noted and accepted.	
Condition Status	Closed	

Reference: 10/03 C6 Fault mitigation MNPL/Wanganui		Non-compliance grading: M
Observation:	<p>EM80 Report for Marton - New Plymouth Line (MNPL) and the Wanganui Branch showed a number of double star faults (27 in total) that had been identified on runs between the 1st December and 3rd December 2009.</p> <p>Specific examples noted on the report were as follows:</p> <p><u>Wanganui Branch</u> Serial 20091203908: Gauge recorded at 1102mm between 0.218 - .236 km Serial 20091203948: Gauge recorded at 1101mm between 4.637 - .653 km Run undertaken 3 December 2009.</p> <p><u>MNPL</u> Serial 20091200312: Gauge recorded at 1096mm between 44.640 - .647 km Run undertaken 1 December 2009.</p> <p>No mitigations were in place for these faults, nor the works actioned within the prescribed period defined in SIN T 039. Furthermore, no exemption had been requested.</p>	
Action required:	The defects must be eliminated and the track brought back into code compliance (or retrospective exemptions issued).	
Condition Status	Open	
Response:	<p><u>MNPL</u> Serial 20091203908: Gauge Removed Serial 20091200312: Gauge Removed <u>Wanganui Branch</u> Serial 20091203948: Gauge Planned for removal by 1st Oct. Requires partial reseal of crossing to remove. Mitigated by 25kph PSR curve speed</p>	
Assessor review 10 September 2010	Response noted and accepted.	
Condition Status	Closed	

Reference: 10/03 C7 NDT Faults, Marton-New Plymouth		Non-compliance grading: L
Observation:	A review of NDT faults on the Marton - New Plymouth Line showed four were current as at the 10 March 2010. The faults were referenced as follows:	

	20071100480, 20071100485, 20080500102 and 20091200248. All were identified (as the references indicate) between November 2007 and December 2009. For the record, all were classified as "Small". While the defects had been mitigated and reported, none had been actioned in accordance with SIN T 031 .
Action required:	The defects must be brought back into code compliance.
Condition Status	Open
Response:	<i>20071100480 DW In rd crossing. Has been placed onto renewals list for upgrade this financial year. TID No 80644. This is inspected regularly and will be rectified if there is any change in the size of the defect. This is allowed under code.</i> <i>20071100485 DW Removed</i> <i>20091200248 DW Removed</i> <i>20080500102 DW Removed</i>
Assessor review 10 September 2010	Response noted and accepted.
Condition Status	Closed

Reference: 10/03 R4**Track Gauge calibration marking**

Observation:	While reviewing works at the 187.500 peg MNPL, it was noted the Track Gauge on vehicle CRH 407 had a paper tag indicating its calibration status. While readable (it was only applied a week earlier) the tag was unlikely to last any length of time in a outdoor environment, nor under the type of activities it would normally be subjected to.
Action recommended:	Review the use of paper tags for equipment stored outdoors and/or where it will be subject to regular manhandling. If the change was of a temporary nature, until a permanent tag could be fitted, then that situation needs to be communicated to those involved, (and the permanent tag fitted as soon as practicable).
Status	Open
Response:	<i>Metal Tamper proof tags have been procured from Stores and will replace paper tags by 31 August 2010.</i>
Assessor review 10 September 2010	Response noted and accepted.
Status	Closed

Reference: 10/03 R5**Rescue equipment maintenance**

Group / Division:	OIL Hamilton Region
Observations:	During the review of vehicle reg # DLH 350 a piece of rescue type equipment referred to as a 'Trivit' was sighted. This piece of equipment had no inspection status identified. From subsequent discussion there was uncertainty as to whether this piece of equipment requires routine periodic inspection.
Action recommended:	Clarify if this item of equipment is required to be subjected to any routine periodic inspection. If so ensure it is inspected/calibrated appropriately.
Status	Open
Response:	<i>The supplier has indicated that the Trivit should be inspected 6 monthly to "ensure the levers are moving freely & all locking pins are in place". This requirement has been placed on the inspection sheet for working at height components and will be fully implemented.</i> <i>Copy of updated inspection sheet provided as evidence.</i>
Assessor review 10 November 2010	Response noted and accepted.
Status	Closed

Reference: 10/03 R6**Crane Inspections Status (Vehicles)**

Observations:	During the review of routine crane inspections and the apparent delay in
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	receiving the SGS certificates, part of the issue was the delay in getting a purchase order to SGS. In some cases actual inspections had taken place up to two months before a purchase request was submitted to SGS. SGS only send certificates out with the issuing of the invoice. It was also noted that the crane inspections are currently not synchronised with vehicle 155's.
Action recommended:	Consideration could be given to the following: <ol style="list-style-type: none"> 1. Reviewing the current process of organising crane inspections with SGS in regard to supplying a purchase order to SGS. 2. Aligning the vehicle crane inspections with the routine 155 vehicle checks.
Status	Open
Response:	

Reference: 10/03 C8		Non-compliance grading: M
Contractor safety management WRRP		
Observations:	<p>The following points were noted at the Downer EDI Site at Waikanae:</p> <ul style="list-style-type: none">• Documented and approved traffic management plans were not available at the sites where roads signs and traffic control systems were being used.• There was no evidence that notifiable work (tree felling and scaffold erection) had been notified to the Department of Labour, using the designated forms.• A system was being used whereby sub-contractors carrying out “minor works” such as scaffold erection, were deemed not to require formal induction provided that adequate supervision was used. There was no definition of what constituted minor works or adequate supervision and when this option could be used.• Downers had only just commenced internal safety audits the week before this external audit and their audit programme needs to be monitored.• Seatbelts were not being used on construction machinery that was fitted with these belts. <p>The Fletcher site where the new EMU Depot and Wheel Lathe was being constructed was visited and the following points were noted as needing attention:</p> <ul style="list-style-type: none">• The site hazard board did not have a recent review date on it.• There were several items of electrical equipment with out of date test tags.• Some electrical equipment was being used without being connected to a “Lifeguard” or similar electrical protection.• Many steel starters did not have plastic safety caps fitted.• There was no environmental spill kit at the site and evidence of leaking diesel near a refuelling bowser emphasised this need.• There were several welding gas cylinders standing next to the site office with no restraining straps or safety cage.• The fire extinguishers at the site did not all have current test tags.• Some site staff were wearing singlets and shorts. <p>The following points were noted at the Fletcher Construction site at Redwood Station:</p> <ul style="list-style-type: none">• There was no site safety plan available (one was available at the Regional Office but not the site).• Several electrical tools or leads did not have current test tags.• Subcontractors (Kiwi Contractors) were observed driving construction machinery without using the seat belts that were fitted to the machines. <p>Site staff were wearing singlets and shorts.</p>	
Action required:	Address the points noted above regarding contractor management.	
Condition Status	Open	
Response:	Evidence provided to show that Downer EDI and Fletcher had dealt with all issues raised.	
Assessor review 10 September 2010	Evidence emails sighted. Response noted and accepted.	

Condition Status	Closed
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Reference: 10/03 C9		Non-compliance grading: L
Test Instructions S005 Section 17.4		
Observations:	The instructions for carrying out insulation resistance testing state that before every test the insulation tester should be connected across a 1Megohm resistor to verify the output voltage and accuracy of the tester. This is not carried out in practice.	
Action required:	The calibration requirements for insulation testers must be reviewed and if necessary revised.	
Condition Status	Open	
Response:	<i>Copy of SIN S20 provided as evidence of Code requirement S.R. 17.4 This will be passed at Technical Committee meeting 5 April 2011 and authorised for issue electronically by end of this week.</i>	
	Closure requested	
Assessor review 6 April 2011	Response noted and accepted.	
Condition Status	Closed	

Reference: 10/03 C10		Non-compliance grading: M
Portable Generators, electrical safety		
Observations:	A portable generator was being used, (YRCO A1C Asset Number TSO71171), to provide power for hand tools. The generator had a circuit breaker fitted that appeared to be an overload breaker. There was no electrical protection provided or being used for protection against damp or wet working conditions in which the portable electrical tools might be used.	
Action required:	Ensure that portable electrical generators have additional electrical protection so that tools can be operated in a safer work environment.	
Condition Status	Open	
Response:	<i>Portable generators normally feed isolated power so no further precautions are needed. We have purchased isolated output generators for a number of years, therefore we believe this condition does not apply generally and believe this to be an isolated case.</i>	
	<i>We recently had an incident with a generator with an isolated output and issued the incident alert copy provided. Note the comments concerning the use of the earth leakage unit.</i>	
	Closure requested.	
Assessor review 3 May 2011	Response noted and accepted.	
Condition Status	Closed	

Reference: 10/03 C11		Non-compliance grading: M
Ballast left near tracks		
Observations:	A pile of ballast had been left adjacent to the down line near Crown Road level crossing at Pukekohe. The ballast was in direct line of sight and inhibited the view of road vehicles approaching this crossing that were travelling in an East-West direction.	
Action required:	The ballast must be moved and suitable instructions provided to prevent ballast being stockpiled in locations that could affect safety.	
Condition Status	Open	
Response:	<i>Ballast from this LX has been removed. A Tool Box topic will be delivered by the end of August detailing to staff where ballast can be stock piled at level crossings so as not to interfere with signal or vehicle view lines.</i>	
	<i>Signed copy of Toolbox Meeting Agenda delivery of information about view lines and piles of ballast provided as evidence. A drive through in August 2010 by Peter Dix showed no evidence of issues at the level crossings observed.</i>	
Assessor review 10 September 2010	Response noted and accepted.	
Condition Status	Closed	

Reference: 10/03 C12 Rail butt welding machinery		Non-compliance grading: M
Observations:	The equipment used for rail welding is old and does not at present have guards on nip points or other moving parts that meet the requirements of the Department of Labour's "Guidelines for Guarding Principles and General Safety for Machinery".	
Action required:	This machinery is due to be replaced but poses a risk if appropriate short term action is not implemented immediately.	
Condition Status	Open	
Response:	<ul style="list-style-type: none"> Additional Guarding for welder and power rollers- Quote has obtained to install additional guarding, all I need to cover this one off is a copy of the final report so that I have a formal justification for the expenditure. quotes have been received from Otahuhu Engineering to make the guards for the rollers and welder. The guard for the welder is to be installed on the weekend on 31st July during a week long shutdown. the additional guarding of rollers will be installed during the shutdown at the end of the month. <p>Will be verified by internal assessment during August 2010 Apply for closure</p>	
Assessor review 5 August 2010	Response noted, but until the guarding has been confirmed as installed this item remains open.	
Condition Status	Open	
Response	<i>Guarding now confirmed as being in place. Photo evidence provided.</i>	
Assessor review 10 September 2010	Response noted and accepted.	
Condition Status	Closed	

Reference: 10/03 C13 Weld Testing Machinery		Non-compliance grading: L
Observations:	The test rig used for destructive testing of rail welds needed some attention: <ul style="list-style-type: none"> There was some wear on the insulation of the electrical connection. A temporary earth had been attached to the power supply. It is not clear if the shield is sufficiently robust to withstand a blow from a rail test piece if one was to fly off during testing. 	
Action required:	Address the points noted above.	
Condition Status	Open	
Response:	<ul style="list-style-type: none"> Wiring in break test shed to be fixed (earth wire incorrectly installed)- This is being inspected and corrected next week. <p>Will be verified by internal assessment during August 2010 Apply for closure</p>	
Assessor review 5 August 2010	Response noted, but until the repair has been confirmed this item remains open.	
Condition Status	Open	
Response:	<i>Copy of Electrical Certificate of Compliance provided as evidence of completion of this repair.</i>	
Assessor review 10 September 2010	Response noted and accepted.	
Condition Status	Closed	

Reference: 10/03 C14 Rail weld test failure procedures		Non-compliance grading: H
Observations:	The section kept very good records of testing, traceability and other details related to the production of welded rail. The local Manager and Supervisor had made efforts to determine what actions should be taken if a weld fails under test, in particular what actions should be taken to rail produced prior	

	to the failure and to rail made by subsequent production, (before another test is carried out).
Action required:	KRN must provide clear instructions on the steps that are to be taken following a production test failure. Similar instructions are also to be provided to address the actions to be taken following a field failure.
Condition Status	Open
Response:	<ul style="list-style-type: none"> Break testing process to be clarified and system put in place to deal with failed welds- Meeting held with Pens Cook, Dave Martin, Peter Morton and myself where we discussed possible options to clarify what is to be done if a failed weld is encountered. Please see attached email for more information. Regarding the break testing of welded rail, a designated NDT machine has been ordered and received for Railweld Depot, this machine is currently with Pens Cook. Once Pens is finished with it the intention is to train two RWD staff members (Abe Whare- Depot Supervisor and one other) to be able to operate this machine in the case of a failed test. Procedure has been written for this process, copy attached <p>Apply for closure</p>
Assessor review 5 August 2010	Response noted, but until all actions noted in response are confirmed as complete and fully implemented this item remains open.
Condition Status	Open

Reference: 10/03 C15 Non-compliance grading: L	
Test results, range and traceability	
Observations:	A contractor (United Gooder) submitted test results for earth resistivity that had no acceptable range noted for the results. There was no indication of traceability for the measuring equipment or list of equipment used for the testing.
Action required:	All tests is to be carried out against defined requirements using traceable measurements and recorded equipment.
Condition Status	Open
Response:	Further to earlier discussions with Russell Wadsworth a copy of the Wellington Test Equipment Inspection, measuring & test equipment register supplied by United Group that applied at the time was provided in evidence. Closure requested.
Assessor review 3 May 2011	Response noted and accepted as this aligns with code requirement shown to Rob Gould by Russell Wadsworth on 7 April 2011.
Condition Status	Closed

Reference: 10/03 R7	
Disaster recovery plans, Radio Network Upgrade	
Observations:	The Radio Network Upgrade project plan refers to a need for "Disaster Recovery" and "Network Security" plans that are to be established. These have still to be developed and tested.
Action recommended:	The Disaster Recovery and Network Security plans should be documented, implemented and tested to validate them as soon as practicable.
Status	Open
Response:	

3.4 Railway Operations

Reference: 10/03 C16 Non-compliance grading: M	
Rail Weld Transport Wagons	
Observations:	All of the wagons,(e.g. EWR 320, 237, 374, 211 etc.), that had been returned to the Railweld site at Otahuhu had the fastening chains left lying in the

	<p>chain boxes rather than the required method of fastening the chains across the bed of the wagons. This results in a potential for serious injury or damage if the chains are jolted loose during rail vehicle movement.</p> <p>Several of the empty welded rail wagons that had been returned to the Railweld site had numerous ballast stones lying on the beds of the open wagons. This results in a potential for serious injury or damage if the stones fly off during rail vehicle movement.</p>
Action required:	KRL and KRN should ensure that chains are secured according to the specified requirements and that any loose ballast, or similar material is removed before the wagons are used on the rail network.
Condition Status	Open
Response:	<p><i>Response 23/07/2010</i></p> <p><i>Toolbox issued re: correct procedure for tying chains down on EWR wagons-copy provided.</i></p> <p><i>Change in process where Rail weld will monitor and report failures to AM's for non compliance.</i></p> <p><i>Will continue to be observed in the field during internal audits.</i></p> <p><i>Closure requested 29/07/2010</i></p>
Assessor review 5 August 2010	Response noted and accepted.
Condition Status	Closed

3.5 Personnel

Reference: 10/03 C17 Training Records		Non-compliance grading: M
Observation:	<p>During the review of 09/03 C16 a follow-up of the then outstanding training records was undertaken. The record for employee 1233, showed he first certified (ie. gained) his last Level B Safety Observation on 18 March 2009. It expired on 18 November 2009. During onsite discussions it was indicated the RORP only required three safety Observations to be undertaken within a twenty four month period – ie. there was no requirement for observations to be undertaken on an eight (8) monthly basis as is practised by KRL. To overcome this apparent discrepancy a Bulletin had been issued effective 4 March 2009 requiring Safety Observations to be conducted on an eight monthly basis.</p> <p>Review of Section 10.3 (of the RORP) shows that in Clause 5.3.1 (under B Level Observations) that such observations must be conducted three times within a 24 month period with a maximum interval of no more than eight months separating any two observations. Employee 1233 was therefore non-compliant over the entire period between 18 March 2009 and 12 March 2010 and neither stood down, nor re-certified.</p>	
Action required:	<p>Undertake a full review of all staff requiring regular and on-going certifications and ensure their Safety Observation status is truly current. Where non-conformities are identified, re-certification must be in accord with the requirements set out in Clause 5.2 (of Section 10.3), and the relevant Bulletin.</p>	
Condition Status	Open	
Response:	<p><i>This issue is still open – there are contractors and staff who are being worked with at the moment. In some cases OJT's are being re done to ensure full understanding of rules and regulations. This applies to both contractors and employees.</i></p> <p><i>The operational safety co-ordinators have been instrumental in the identification and rectification of this issue</i></p> <p><i>Request down grade to medium as process for getting to compliance is in place and commitment has been made.</i></p>	
Assessor Review on-site 23 July 2010	Observed demonstration of training database to confirm this is covered and discussed validation of records that occurred and processes being applied in	

	the field. Agree with downgrade to medium non-compliance grading and remaining open until further verified.
Condition Status	Open
Response: April 2011	<i>Database fully implemented across the KRN business, as demonstrated on 5 April 2011.</i> <i>Closure requested.</i>
Assessor review 6 April 2011	Response noted and accepted.
Condition Status	Closed

Reference: 10/03 R8**Training matrix for key staff**

Observation:	During review of 09/03 C16 a potential weakness was noted the training package developed, due to the need of KRN to restructure its organisation and to transfer and/or promote staff to meet business requirements.
Action recommended:	To better provide for these situations, KRN should consider establishing matrices for all key staff designations. That would ensure when staff are re-deployed training and/or recertification gaps can be identified at the earliest opportunity and steps taken to ensure staff are not required, or pressured, to work without the necessary skills/competencies.
Status	Open
Response:	<i>The training database now provides an accurate record of an individuals training history.</i> <i>Request closure as database is up and running across the network BU</i>
Assessor Review on-site 23 July 2010	Observed demonstration of training database to confirm this is covered.
Status	Closed

Reference: 10/03 R9**Task based training records -Railweld**

Observations:	The plant had some good records of training and competencies but did not currently have any records of task based training.
Action recommended:	It is recommended that a simple training matrix be developed to display staff task competency.
Status	Open
Response:	<i>Work with Matt Wadsworth on this - he has done but I feel it belongs here</i> <i>The training database now provides an accurate record of an individuals training history.</i> <i>Request closure as ALL competencies are included in new database</i>
Assessor Review on-site 23 July 2010	Observed demonstration of training database to confirm this is covered.
Status	Closed

Reference: 10/03 R10**Training records (OIL database) Hamilton**

Observations:	The recently introduced 'OIL' database was reviewed. This process is still at the initial 'roll out' phase. The database will be a useful tool with regard to the on-going monitoring of renewable type qualifications. The other improvement also being introduced was the 'Career and Progression Plan'. This document was currently being trialled. During the review of a random sample of training records sighted in the 'OIL' database one isolated instance was sighted where the database record showed AC Electrical Awareness, ITD and Level C track warrant had expired . Further investigation found relevant 'staff 23' records confirming the updating of such qualifications had occurred. There appeared some uncertainty on the requirement for refresher training in the use of fire extinguishers. Some clarification on this is required. With the introduction of the 'Career and Progression Plan' the question is
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	raised with regard to how the 'OIL' database and the 'Career and Progression Plan' will be aligned.
Action Recommended:	Clearly identify those aspects within the 'Career and Progression Plan' which would be expected to be detailed in the 'OIL' database including Fire Extinguisher refresher training.
Status	Open
<i>Response:</i>	<p><i>All training records for KRN staff and contractors have been entered on the Training Database and reconciled against area records. Master hardcopy records stored in Wellington, which match database entries.</i></p> <p><i>These records are the most up-to-date records that the organisation hold, and are available to all area managers and area administrators, allowing them to instantly assess if a staff member/contractor is competent and current in a particular area before sending them out on track</i></p> <p><i>The process charts provide clear direction on who is responsible for the reviewing and scheduling of what training.</i></p> <p><i>Request closure due to introduction of structured process for managing data and process charts for developing the processes for identifying, planning and delivering training needs.</i></p>
Assessor Review on-site 23 July 2010	Observed demonstration of training database to confirm this is covered.
Status	Closed

Reference: 10/03 C18		Non-compliance grading: M
Vibrating tools or equipment		
Observations:	Staff were observed using vibrating tools for track maintenance repair work without using anti-vibration gloves, as required. The same crew had not identified vibration as a hazard on the daily hazard analysis book.	
Action required:	Staff must be instructed to use the correct PPE for hazardous tasks, and record such hazards in their daily hazard analysis records.	
Condition Status	Open	
Response:	Toolbox created and presented to staff, to be followed up by observation and mentoring in the field. Toolbox #10073 loaded on to OSP and copy provided as evidence.	
Assessor Review 10 November 2010	Response noted, evidence sighted and accepted.	
Condition Status	Closed	

Reference: 10/03 C19		Non-compliance grading: M
Crossing signals, lamp replacement		
Observations:	A technician replacing a failed lamp at a level crossing at Crown Road, Pukekohe was observed to climb on the rear of his vehicle in order to access the lamp at the level crossing instead of using a stepladder. The regional manager addressed this particular event immediately and instructed the technician on the correct procedures.	
Action required:	No further action required.	
Condition Status	Closed	
Response:	Not required	

Reference: 10/03 C20		Non-compliance grading: M
Safety Observations, Railweld		
Observations:	The 8-monthly safety observations were overdue for 5 of the 6 staff at the depot.	
Action required:	Carry out the safety observations as required.	
Condition Status	Open	
Response:	Response 23/07/2010 Safety observations completed and scanned to Training for entry in database Evidence seen in Wellington on 23/07/2010 when calling up employee records for Abe Whare, rail weld supervisor who showed as current and recently re-	

	<i>certified.</i>
	<i>Closure requested 29/07/2010</i>
Assessor review 5 August 2010	Response noted and accepted
Condition Status	Closed

Reference: 10/03 R11**Succession Planning**

Observations:	The Northern Region Managers acknowledged the existing risk of an aging workforce demographic, and the need to up-skill new staff to replace those people leaving in order to maintain a safe system. They demonstrated a good succession plan utilising Excel spreadsheets and the buy-in/support of local management.
Action recommended:	Consider applying this project basis across the organisation to mitigate future loss of knowledge and maintain a competent workforce to ensure safety obligations are maintained.
Status	Open
Response:	

Reference: 10/03 C21**Non-compliance grading: L****Carrying Daily Bulletin in field**

Group / Division:	OIL Northern Region
Observations:	Not all work teams in the northern region carried the Daily Bulletin in the field, although most could recall some details having viewed it at the local depot at the start of the work day. When asked, none (who were without it) could recall the 'letter of the day'. If Train Control challenged them or wanted to advise of amendments to the published Bulletin, the field staff had nothing to refer back to or verify against.
Action required:	Reinforce to all staff the need to carry Daily Bulletin in the field, especially in relation to communication with Train Control.
Condition Status	Open
Response:	<i>Internal audits have been conducted to ensure field teams have the daily information bulletin with them. These audits will be ongoing.</i> <i>Copy of signed Toolbox Meeting Agenda provided as evidence of Toolbox discussion of the carrying of bulletins has been completed and random field visits by Peter Dix on 12th and 13th of August verified compliance. This will continue to be monitored both locally and nationally.</i>
Assessor review 10 September 2010	Response noted and accepted.
Condition Status	Closed

3.6 Accidents, Incidents and other Occurrences**Reference: 10/03 R12****Onsite management of significant occurrences**

Observation:	<p>On 12 March 2010 the assessment team reviewed the activities at Tokomaru where Train 210 had derailed the previous evening.</p> <p>While on-site activities were being very competently managed by the senior KRN and KRL representatives, upon subsequent review of the visit, on aspect of site management requires further clarification.</p> <p>Notwithstanding discussions with KRN representatives after the site visit, the role of the Rail Incident Controller (RIC) in relation to site induction responsibilities under an integrated site management plan.</p> <p>The RIC was a KRL representative, but site induction duties were done by a KRN representative, using a KRN sign-in form and induction processes, without direct reference to the RIC.</p>
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Action recommended:	(i) KRN (working with other relevant parties) should review Section 11 (Emergency Procedures), of the RORP, in conjunction with NRSS/5 to ensure that for future events there is clarity on how the RIC is managing or assigning site sign-in responsibility.
Status	Open
Response:	

3.7 Document Control

Reference: 10/03 R13	
Material specification sheets - Ballast Cleaner	
Observations:	The material specification sheets currently held on the new Ballast Cleaner equipment were supplied from the manufacturer without any issue date references.
Action recommended:	Discuss with the manufacturer the practicality of including dates on the material specification sheets, for effective document control, if any of those material specifications were to be modified in the future.
Status	Open
Response:	<p><i>The manuals for all machines are issued as a 'job lot' with each included drawing having its own revision history. If and when individual drawings are revised, there is a well established procedure in place that causes:</i></p> <ol style="list-style-type: none"> <i>1. The drawing to be revised (a unique "Drawing Change Notice" is created and added to the drawing)</i> <i>2. a "Notification of Parts Manual Change" notice to be created.</i> <p><i>And both are sent (in multiple copies) to the holder of the books.</i></p> <p><i>Provided are actual examples from our DGS 62 N Dynamic Track Stabilisers.</i></p> <p><i>"503_504 change notice".... Identifies the machine serial number, the machine type, the manual of interest and the details of the alteration necessary.</i></p> <p><i>"PN-S.5269-01"... is the drawing referred to in the above change notice and it has the drawing change notice details at the bottom of the centre of the drawing.</i></p> <p><i>Closure requested.</i></p>
Assessor review 3 May 2011	Response noted and accepted.
Status	Closed

Reference: 10/03 C22	
Job safety analysis on Work Orders	
Non-compliance grading: L	
Observations:	The standard Work Orders include a standard instruction stating that a Job Safety Analysis must be carried out and recorded for medium risk and high risk work. This does not occur at present.
Action required:	Follow the required process or amend the Work Orders instruction to an appropriate safe practice for job safety analysis.
Condition Status	Open
Response:	<p><i>There has been a change to the wordings in the service work orders as below:</i></p> <p><i>"All relevant safety requirements including "job plan" process must be considered/completed before starting work".</i></p> <p><i>The work requested has been undertaken by IT however does not as yet appear on SAP work orders that are produced due to a minor issue with logo. This is with IT to resolve.</i></p> <p><i>Closure requested on condition to review at next assessment.</i></p>

Assessor review 6 April 2011	Response noted but leave open for review at next assessment.
Condition Status	Open
Response:	<i>Update: A decision has been made that there is no point in pursuing this line as the SAP SWOs will be redundant with Sirius (Maximo).</i> <i>Closure requested</i>
Assessor review 3 May 2011	Response noted and accepted.
Condition Status	Closed

Reference: 10/03 C23		Non-compliance grading: M
Hazard Analysis of Tasks		
Observations:	The daily hazard analysis requires a "Hazard Analysis of Tasks" (HAT) to be carried out if high or medium risk work is to be carried out that is outside of the scope of the normal hazard management process. Only one of the work crews, (from 6 interviewed), understood what this process should involve. In addition documented procedures that are intended to be used as part of the HAT process are not readily available.	
Action required:	The HAT processes need to be reviewed and implemented effectively.	
Condition Status	Open	
Response:	<p><i>A simpler way of communicating the key safety messages in the HAT process has been put together. These have been extremely well received so the Team are keen to continue to develop.</i></p> <p><i>As part of the Hazard id and induction training HATs are discussed and communicated to new employees.</i></p> <p><i>Provided as evidence were samples of some HAT's or safety situations that had been looked at so far in a format that use picture grams to demonstrate desired behaviours. These are being reformatted and published on the toolkit for access by KR staff. Availability to field staff is an issue yet to be addressed and will probably be achieved in the form of a booklet for reference.</i></p> <p><i>This was a change that was a work in progress prior to the assessment that the condition has encouraged completion of.</i></p> <p><i>Request for closure on condition that field verification is proven next assessment.</i></p>	
Assessor review 16 September 2010	Response noted and accepted.	
Condition Status	Closed	

3.8 Internal Audit

No condition or recommendations were raised during this assessment.

SECTION 4

Conditions and Recommendations Reviewed and Closed during this assessment

Reference: 09/03 C1		Non-Compliance Grading: M
Health and Safety Management in the Concrete Sleeper Plant, Christchurch		
Group / Division:	Busck Manufacturing/ KiwiRail Network	
Observations:	<p>Many deficiencies in health and safety management were observed at the Christchurch concrete sleeper manufacturing plant. For example:</p> <ul style="list-style-type: none"> • Employees were observed working without using appropriate PPE. • Employees were observed using inappropriate ergonomic practices. • Cranes and slings had no identifying tags or certification. • Lifting cradles and hooks used to carry loads had been made 'in-house' and had no validation available proving that they were suitable for purpose e.g. a gantry crane hook and the cradle for lifting the concrete covers • A significant amount of dust was evident during concrete cutting and grinding but there had been no hazard evaluation or environmental measurements that registered this hazard. • Noise had not been evaluated as a hazard. • No health monitoring systems were available. • No site hazard register was available. • No employee induction process was in place except for an informal "buddy training" process. • No records of staff competence were available. • No MSDS or bunding systems were available or in place for chemicals used on site. • Very few electrical hand tools or leads were certified as safe for use. • Employees were smoking whilst working inside the plant. <p>In all, there had been limited input/ongoing surveillance from KRN - as the Principal - into the site's health and safety management systems in terms of monitoring the project, and in terms of providing support in areas where the site supervisor was not competent e.g. health, safety and operational requirements.</p>	
Action required:	KRN must address the above Health & Safety issues with their supplier/contractor immediately.	
Response: 28 August 2009	<p>03/09 C1 request change from H to M based on work already completed, attached is email from Russell Bennetto from Busck Concrete explaining changes (HEALTH AND SAFETY COMPLIANCE RESPONSE). Also note Peter Dix and Linda Whyte from Busck are meeting at plant 7/09/09 to verify improvement.</p> <p>Hi Peter Please see below for response to issues you have raised Regards, Russell Bennetto (Managing Director) Busck Prestressed Concrete Ltd Ph 09 438 3059 Fax 09 438 3055 e-mail russellb@busck.co.nz</p> <hr/> <p>From: Peter Dix [mailto:Peter.Dix@ontrack.govt.nz] Sent: Tuesday, 4 August 2009 6:45 a.m. To: Russell Bennetto Subject: following on from previous discussions Russell Our audit results have been received from NZTA and there are a couple relating directly to the sleeper plant in Christchurch. the sleeper manufacturing plant in Christchurch was observed to have many deficiencies in the health and safety management processes at this site. some of which are as follows:</p> <p>Q1/employees were observed working without appropriate PPE A/ Appropriate PPE and safety equipment is issued to all staff and more emphasis is being directed at making sure ALL STAFF wear the appropriate equipment job specific when needed. Goggles and breathing apparatus are worn when grinding, safety glasses worn when other activities are being performed. Steel capped boots are worn at all times and always have been. Hard hats are worn when the overhead gantry crane is operating and also when sleepers are being loaded out onto wagons or road transport. High vis</p>	

	<p><i>is worn at all times when outside the factory walls.</i></p> <p><i>Q2/employees were observed using inappropriate ergonomic practices</i> <i>A/ Not sue exactly what this statement refers to but assume it is directed at the manual turning of the sleepers. This exercise is partially a result of KiwiRail Network's decision to change the way sleepers are handled, stacked and loaded onto wagons, thus the automatic turning frame has not yet been built. At present this exercise is limited to turning forty sleepers per staff member per session.</i></p> <p><i>Q3/cranes and slings had no identifying certification or tags</i> <i>A/ The certificate for the overhead gantry crane has always been available on site, however it was kept in the office. It has since been laminated and fixed to the factory wall next to the power isolating switch. Lifting chains are and were tagged at the time of your visit. Lifting strops were not tagged but have been recently. All of the above (crane, chains and strops) were new in August / September 2008 and are shortly due for re inspection.</i></p> <p><i>Q4/lifting cradles and hooks used to carry loads had been made in house and had no validation as suitable for purpose</i> <i>A/ the two hooks you refer to are used only for shifting one sleeper at a time from the finishing table to the test press, as they are designed to fit through the pandrol shoulder. Thus they share a total max lifting weight of 254kg (127kg each). They have since been load tested and certified by Cookes. The lifting cradle used for demoulding sleepers has been engineered and designed with safety pins designed to fail at certain weight. The reason for this is to ensure the moulds and stressing beds are not overloaded by the crane should the product jamb or stick in the mould at the time of demoulding (refer design calcs and load breaking chart attached). The other lifting cradle is used for stacking sleepers from the finishing bed to the packs of 6x4, this has now been certified by Cookes and labelled accordingly.</i></p> <p><i>Q5/significant amounts of dust were evident during concrete cutting and grinding processes but there was no hazard evaluation of this activity</i> <i>A/ Grinding dust has been identified as a hazard and is listed on the hazard board. Staff are issued appropriate breathing protection and are made to wear it.</i></p> <p><i>Q6/noise had not been identified as a hazard</i> <i>A/ Noise has been identified as a hazard and is listed on the hazard board. Staff are issued appropriate hearing protection and are made to use it.</i></p> <p><i>Q7/no health monitoring systems were available</i> <i>A/ All staff have completed medical examinations including hearing and lung tests.</i></p> <p><i>Q8/no site register was available</i> <i>A/ Disagree. A visitor's register was in place as of August 2008 and has been ever since. Recently we have changed the visitors register to the Kalamazoo visitors registration system</i></p> <p><i>Q9/no employee induction process in place</i> <i>A/ Disagree. Employee induction forms have been completed from day one and are kept on file on site</i></p> <p><i>Q10/ no records of staff competency</i> <i>A/ These are now in place</i></p> <p><i>Q11/no msds for release agents etc, no cemical bunding</i> <i>A/ MSDS are laminated and displayed on the factory wall near the product</i></p> <p><i>Q12/very few had tools were electrically certified</i> <i>A/ All electrical tools were tagged by Melray Electric Ltd in November 2008 (copy attached) and are due to be re checked and re tagged</i></p> <p><i>Q13/employees were smoking in the workplace.</i> <i>A/ No smoking signs are now displayed in the factory and an external designated smoking area has been set aside</i></p>
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	<p>Q14/Testing and verification procedures for concrete sleeper manufacture were not available except in very brief outline. These procedures were limited to engineering drawing that gave sleeper dimensions and stated 1 day, 7 day and 28 day test strength. the following points were not addressed: A/ Correct and KiwiRail Network were aware of this. Further type testing has been performed and we are working with KiwiRail Network to put in place agreed methods and procedures for proof testing.</p> <p>Q15/what happens if spec is not met at some point. A/ Refer KiwiRail Network document T116a</p> <p>Q16/what systems exist for traceability of product. A/ Pre and post pour check sheets that include concrete strengths, prestressing information, all units manufactured are bed numbered & date stamped</p> <p>Q17/who is authorised to take action to quarantine or stop production A/ Paul Mather (Christchurch Factory Manager), Rodney White (Busck Technical Director) and Russell Bennetto (MD)</p> <p>Q18/there was a test rig for destructive testing of sleepers, but no procedure or validation of test rig why has this not begun being used 8 months after start up. A/ At the time of your visit the test rig was not being used for the purpose of proof testing or concrete cylinder testing (as agreed with KiwiRail Network) and our factory manager had not been skilled in the use of this machine (this is currently being addressed). There is a certificate of calibration as supplied by Australian Calibration Services on site in Christchurch and a copy displayed on the test rig.</p> <p>Q19/there were gaps in data recording of daily compressive strength of concrete nsample records provided by allied concrete, but no action had been taken to find out why records had not been received nor any assessment of missing records having an impact on finished product. A/ Currently there is only one series of 28day concrete test taken per week. This requirement is also currently being discussed with KiwiRail Network. I am not aware of any missing daily compressive strength results from Allied concrete. These are supplied weekly and are added to the information on the post pour section of the daily QA sheets that are filled out for every pour and kept on file in Whangarei and Christchurch offices.</p> <p>In addition to the above, Keith Permain from KiwiRail Network has attended a tool box meeting (regularly held on the first Monday of each month) and I have been advised that he is happy with the progress that has been made on site.</p> <p>These issues have been formally tabled under category high on our internal audit and we need to have rapid closure to them. I am in Whangarei today and tomorrow morning. (busy until late pm today) please contact me on my mobile if it is convenient to call in and discuss.</p>
Assessors review 29 August 2009	<p>The response above has been given full consideration. The condition has not been closed, but the risk status reduced from H to M. Note: This condition will require onsite verification/closure.</p>
Condition Status	Open
Response:	<i>The site in Christchurch was visited and the company provided input from the Technical Manager and Health and Safety Manager in regard to the concerns listed above.</i>
Assessment March 2010	The assessors reviewed the points that are listed above with the assistance of the Busck Technical Manager and Health and Safety Manager. Records were provided to show that all areas had been covered adequately and a site safety observation indicated that plant and equipment was satisfactory and that staff were following safe work practices. Records were also available to show that quality requirements were being monitored and that systems had been implemented for traceability of product.
Condition Status	Closed

Reference: 09/03 C35		Non-Compliance Grading: M
Management of Safety Case Variations		
Group / Division:	Quality & Safety	
Observations:	On a number of occasions KRN has shown a reluctance to submit Safety Case variations in accordance with section 33 of the Railways Act 2005. Examples of this relate to the introduction of new plant & equipment types for track maintenance and the new signalling equipment for the Wellington Metro area.	
Action required:	KRN must review their processes relating to safety case variations and always submit Safety Case variation requests to the NZTA in accordance with Section 33 of the Railways Act 2005.	
Response:	No response issued in relation to this condition	
Assessment March 2010	The company had submitted 17 safety case variations in the 12 months prior to the 2010 Ordinary Assessment. This demonstrates that the processes for submitting variations for approval is active.	
Condition Status	Closed	

Reference: 09/03 C6		Non-Compliance Grading: H
Testing and verification of sleepers in the Concrete Sleeper Plant, Christchurch		
Group / Division:	Busck Manufacturing/ KiwiRail Network Christchurch	
Observations:	Testing and verification procedures for concrete sleeper manufacture were not available, except in very brief outline. These procedures were limited to an engineering drawing that gave sleeper dimensions and stated the 1 day, 7 day and 28 day compressive strength required for the concrete. The following points were not addressed: <ul style="list-style-type: none"> • What happens if concrete specification is not met at any point in the process? (For example if a 24 hour compression test is low or any of the other compressive tests fail what actions should be taken?) • What systems are required for traceability of products? • Who is authorised to take action to quarantine or halt production? • There was a test rig being set up for testing finished sleepers but there were no test procedures for validation of the test equipment. Why has the concrete sleeper testing not commenced after 8 months production? • There were gaps in the daily compressive strength of concrete sample records provided by Allied Concrete but there had been no actions taken to find out why, with no results provided nor any assessment of the potential impact on finished product. 	
Action required:	Processes must be established and implemented to ensure that the sleepers manufactured are fit for purpose. Evidence of compliance must be maintained.	
Response:	No response issued in relation to this condition	
Assessment March 2010	Busck management had implemented the concrete testing regime both for compression strength testing and sleeper testing that are the focus of quality management at this site and the repeat visit to the site confirmed that these were operating adequately.	
Condition Status	Closed	

Reference: 09/03 C12		Non-compliance grading: M
Six Monthly Train Control Recording ("Tape") Audits		
Group / Division:	Network Control Centre	
Observations:	Around half of the six-monthly "tape" audits of the Train Control recording system were overdue by up to 5 months. Note: These are still referred to as 'tape' audits, although the recordings are now digital.	
Action required:	Routine audits prescribed must be carried out as specified.	
Response:	No response issued in relation to this condition	
Assessment March 2010	The Manager, Network Operations provided adequate evidence to demonstrate that the 6-monthly audits were being carried out to schedule during the Ordinary Assessment of March 2010.	
Condition Status	Closed	

Reference: 09/03 C21		Non-compliance grading: M
Staff Induction Checklist		
Group / Division:	Network Control Centre	
Observations:	New employee induction checklist sighted on file had been signed by the employee concerned, but had not been signed by the manager as required.	
Action required:	All documents must be signed by all parties as documented in the safety management system.	
Response:	No response issued in relation to this condition	
Assessment March 2010	The Manager, Network Operations provided adequate evidence to demonstrate that the induction training checklists were being signed by the designated persons.	
Condition Status	Closed	

Reference: 09/03 C22		Non-compliance grading: M
Train Control Safety Observations		
Group / Division:	Network Control Centre	
Observations:	Around a quarter of staff safety observations for those staff carrying out Train Control duties were up to six months overdue.	
Action required:	All currently overdue safety observations must be carried out. A system should be set-up and adhered to that ensures trainings are carried out by the due times specified.	
Response:	No response issued in relation to this condition	
Assessment March 2010	The Manager, Network Operations provided adequate evidence to demonstrate that the that safety observations are up to date.	
Condition Status	Closed	

Reference: 09/03 C23		Non-compliance grading: M
Train Control Rules Refreshers		
Group / Division:	Network Control Centre	
Observations:	Around a half of the biennial Rules refresher training theory tests for Train Control staff were overdue.	
Action required:	All currently overdue Rules refreshers must be carried out. A system should be set-up and adhered to that ensures such refreshers are carried out by the due times specified.	
Response:	No response issued in relation to this condition	
Assessment March 2010	The Manager, Network Operations provided adequate evidence to demonstrate that the biennial refresher training was being carried out to schedule.	
Condition Status	Closed	

Reference: 09/03 C25		Non-compliance grading: M
Voicetape playbacks & training		
Group / Division:	Network Control	
Observations:	Voicetape playback and two yearly safety rules training were overdue for a significant number of staff. Some catch up training had occurred but was not complete at present.	
Action required:	Update the staff training and records as appropriate	
Response:	No response issued in relation to this condition	
Assessment March 2010	The Manager Network Operations, provided evidence showing that staff training had been updated and maintained for this purpose and that the voicetape playback systems were being carried out as required.	
Condition Status	Closed	

Reference: 09/03 C33		Non-compliance grading: M
Rules and Regulations at worksites		
Group / Division:	KRN Work Sites	
Observations:	There was no copy of the Rail Operating Rules available for reference at the Rakaia Bridge Work Site. There was also no ROR available at the Boston Road DART site where a staff member was under OJT for lockout procedures. Refer KRN Rail Operating Procedures, Section 10.3 Clause 6.0 (Controlled	

	Documents).
Action required:	KRN are to ensure that an up to date copy of the Rules and Regulations are held for reference at all work sites.
<i>Response:</i>	<i>Areas (Appropriate staff) have been notified that all HRV's and MTMV's must carry copies of the Rail Operating Rules & procedures (RORP). This needs to be verified on site.</i>
Response Review February 2010	To be reviewed onsite during the March 2010 assessment.
Condition Status	Open
<i>Response:</i>	No response issued in relation to this condition
Assessment March 2010	Evidence was sighted to show that ROR's were available during visits to various worksite that were visited (e.g. at Waitotara).
Condition Status	Closed

Reference: 05/04 R4	
SAP Data – Industrial Sidings	
Group / Division:	Engineering
Observations:	During the safety assessment, discussion concerning industrial sidings resulted in the acknowledgement that SAP data is historical, does not include all sites operating currently or clearly define the party responsible for track maintenance.
Action required:	It is recommended that all operational industrial sidings be reconciled regarding the responsible party for their respective rail/infrastructure maintenance. SAP then needs to be updated with this information.
Response:	<i>No formal response</i>
CVA October 2005	No formal response received, Recommended to be held open
Status	Open
Response	<i>No response received</i>
Assessment 2006	No formal response or evidence received during the Safety Assessment.
Condition Status	Open
Response	<i>In principle the responsibility for maintenance of industrial (private) sidings is detailed in KRN's safety case. Reconciliation of all private sidings with KRL and the siding owners is currently being progressed. This includes reviewing all private siding agreements.</i>
CVA October 2006	The response from KRN is acknowledged. However, as a result of the safety implications associated with this recommendation and the condition 04/08 C14, this issue needs to be monitored. This recommendation and the issue of land boundaries/responsibilities will be reviewed during Telarc's next Ordinary Safety Assessment in April 2007.
Condition Status	Open
Assessment April 2007	KRN are continuing to work through this process.
Condition Status	Open
Response:	<i>Work on the management of industrial sidings and ports has progressed. Demonstration will be given.</i>
CVA November 2007	Evidence was provided to show that progress was being made up to February 2007, with little or no progress since. It was verbally reported that this project is to be handed over to a new project manager. It is essential that KRN develop a project management plan. Note: This condition also includes the findings of the condition 07/04C4
Condition Status	Open
Assessment April 2008	At the time of the April 2008 assessment, it was reported that a team has been established to manage this project. However, changes are still to be established. The condition remains open.
Condition Status	Open
Response:	<i>Work is progressing on this but there are thought to be about 405 private sidings in being. How many are being used, the inspection status, the ownership and the maintenance conditions are not known. The GM Operations and Acting Chief Executive will communicate to Area Managers to inspect and certify all sidings currently being used. The start point is the list of sidings currently being held by Engineering.</i>
CVA November 2008	No evidence provided, progress on this condition will be recorded during the next assessment.
Condition Status	Open
Assessment March/April 2009	It was agreed in consultation with KRN that due to insufficient evidence being provided, this recommendation remains open. KRN are to provide further evidence of corrective action.
Condition Status	Open
Response:	<i>A verbal response was given, with documented evidence to be provided.</i>
CVA February 2010	Documented evidence still to be provided. Thus condition remains open.
Condition Status	Open
Response:	No response issued in relation to this condition
Assessment March 2010	Further conditions were raised with the GM Legal and Compliance and the GM Commercial in respect to private sidings and ports agreements (KRN 10/03/C3). In view of these new conditions this recommendation can be closed.
Status	Closed

Reference: 08/04 C13 Traffic Management Plan		Non-compliance grading: L
Group / Division:	Track	
Observations:	The sleeper lay at Te Roti required working on the road at a Level Crossing (with Rogers Road). However, at the time of the assessment no Traffic Management Plan (TMP) was available on site, despite the work impacting on the roadway.	
Action required:	Traffic Management Plans must be established, available on site and fully implemented where work is required to interface with road traffic.	
Response:	<i>What should have happened at this site was that due to potential of having person arrive to do deliveries etc, a 30kmh speed restriction should be in place and a "man working sign" in place.</i>	
CVA November 2008	Traffic management plans still need to be established. This requirement needs to be included in the codes and/or safety plans.	
Condition Status	Open	
Assessment March/April 2009	It was agreed in consultation with KRN that due to insufficient evidence being provided, this condition remains open. KRN are to provide further evidence of corrective action.	
Condition Status	Open	
Response:	<i>It is acknowledged that a TMP should have been in place for this project. The Signal Group are in the process of reviewing the TMP's for their work. This review is in the final stages. For all other works, traffic management will be managed by Traffic Management Contractors. To ensure that traffic management is considered prior to starting works, the need to review traffic management as a hazard is noted in the Job Plan Book. (Rev 6 November 2009)</i>	
CVA February 2010	Good progress has been made in addressing this condition. However, the condition will remain open until the Signals Group has completed the review of their TMP's.	
Condition Status	Open	
Response:	No response issued in relation to this condition	
Assessment March 2010	During site visits in the Hamilton region traffic management plans for both signals and track works were seen to be available and in use.	
Condition Status	Closed	

Reference: 09/03 C20 Health and Safety Meetings		Non-compliance grading: L
Group / Division:	Inventory	
Observations:	The assessment team were advised that Health and Safety/Toolbox meetings were held every 6-8 weeks. The last set of minutes that could be produced was dated 10/11/08. The company procedures require meetings to be held monthly.	
Action required:	KRN must ensure that regular meetings are held and that the minutes of these meetings are kept on file.	
Response:	No response issued in relation to this condition	
Assessment March 2010	A toolbox meeting was observed and copies of other similar meeting minutes were posted on site notice boards.	
Condition Status	Closed	

Reference: 09/03 C13 NCM Nightly Audit of Train Control Graphs		Non-compliance grading: L
Group / Division:	Network Control Centre	
Observations:	The assessment team was told that Train Control graphs for the prior week had not been sample checked and stamped by the Network Control Manager (NCM), as the NCM had worked from home on night-shift that week. <i>(This was said not to be a "code" requirement, but if it forms part of the NCM job description then this is a non-compliance with the safety system.)</i>	
Action required:	Required Train Control graph audits must be carried out as specified.	
Response:	No response issued in relation to this condition	
Assessment March 2010	The Manager, Network Operations provided adequate evidence to demonstrate that the train control graphs were being audited, corrective and preventive action was being taken if appropriate and that if necessary,	

	incident reports were initiated.
Condition Status	Closed

SECTION 5

Open Conditions and Recommendations Transferred from Assessments of other Licensees

From KRL:

Reference: 09/03 C25 Safety Procedures		Non-compliance grading: M
Group / Division:	Mechanical Services - Metro Wellington (Depot)	
Observations:	A copy of the Traction Code Supplement (E/CST/413) was in use regarding safe operation and isolation of 1600v DC overhead supply. This document had been issued in 1997 and was due for review at 1/6/02.	
Action required:	All safety critical documents must be reviewed and updated when appropriate.	
Response:	<i>This document is Controlled by Network (ONTRACK). Please review and reallocate the condition.</i>	
Assessment March 2010	Moved to observation on KRN	
Condition Status	Closed as far as KRL is concerned	
Response:	<p><i>This document is Controlled by Network (ONTRACK). Please review and reallocate the condition. Mechanical Services were informed by email that this document was still an active Traction Document pending reissue.</i></p> <p><i>T&E Engineering is developing a plan for documentation updating. Document E/CST 600 CSO/600 (draft revision attached) will be re-issued soon (programmed in the next 3 months) to re-validate all current applicable T&E documents. This document will give us the reference base to continue our programme of document revisions (ie it gets updated when any new documents are issued). A T&E SIN will also be issued re- validating the current code with some minor essential organisational changes as well as vadiating the methodology applicable in a new E/CST 600 CSO/600.</i></p> <p><i>Request for closure based on notification by email to Mechanical group that E/CST/413 is still active.</i></p> <p><i>The rest sits with the high condition for code review 07/04 C17</i></p>	
Assessor review 10 September 2010	Response noted and accepted.	
Status	Closed	

SECTION 6

Observations Related to Other Licensees and/or Interested Parties.

6.1 Observations

The observations in this section of the report relate to other licensees and/or interested parties. It is the responsibility of the NZTA to determine the action to be taken (i.e. should the observation be passed on the other operator/interested party and what follow up action is to be taken).

The following conditions or recommendations apply to KRL.

Reference: 10/03 O1 Safe work practice at derailment site	
Group/Division:	
Observation:	KRL staff at the Tokomaru derailment site of Train 210 (11 th March 2010) were observed on the following day securing lifting chains to the top of LSC containers with no form of fall prevention. The work was being undertaken at a height of over 3 metres.
Action required:	<p>KRL must identify -</p> <ol style="list-style-type: none"> (1) whether the hazards associated with derailment recovery operations are included in its risk/hazard register, and (2) if they are, why such works were being undertaken at variance with the regulatory requirements, and if not identified, why not. (3) KRL should also investigate how, and why, such works came to be undertaken without proper precautions in place, and more importantly, (4) what steps must be taken to prevent such practices reoccurring. <p>Additionally, KRL should ensure that the above incident is recorded in its own accidents and incidents database, and reported to NZTA as required by the Railways Act.</p>
Status	Open
Response:	

Reference: 10/03 O2 Kiwi Rail Equipment out of 155 inspection	
Group / Division:	Kiwi Rail - Mechanical
Observations:	During the review of the KRN Taumarunui yard, KRL equipment used for the lifting of a locomotive in the case of a derailment was sighted with an expired 155 label expired 8 November 2009.
Action required:	Equipment is required to be inspected/checked within the prescribed 155 requirements.
Response:	

Reference: 10/03 O3 Rail Weld Transport Wagons	
Group / Division:	OIL Railweld Otahuhu
Observations:	<p>All of the wagons, (e.g. EWR 320, 237, 374, 211 etc.), that had been returned to the Railweld site at Otahuhu had the fastening chains left lying in the chain boxes rather than the required method of fastening the chains across the bed of the wagons. This results in a potential for serious injury or damage if the chains are jolted loose during rail vehicle movement.</p> <p>Several of the empty welded rail wagons that had been returned to the Railweld site had numerous ballast stones lying on the beds of the open wagons. This results in a potential for serious injury or damage if the stones fly off during rail vehicle movement.</p>
Action required:	KRL and KRN should ensure that chains are secured according to the specified requirements and that any loose ballast, or similar material is removed before the wagons are used on the rail network.
Status	Open
Response:	

The following applies to all NRS rail operators

Reference: 10/03 O4 NRS rail operator radio upgrades	
Group / Division:	All NRS operators
Observations:	KRN was unable to demonstrate communication, particularly with heritage operators, to show that they were being made aware of the radio requirements for the radio network upgrade project.
Action required:	All NRS operators must ensure they are familiar with the new radio requirements and demonstrate to KRN that will have compatible systems
Status	Open
Response:	

REPORT ENDS