

LEVELS OF ASSURANCE

Level of assurance is set by the level of risk being managed

LEVELS OF ASSURANCE

NATIONAL TELEMATICS FRAMEWORK

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Transport Certification Australia Ltd
T: +61 3 8601 4600
E: tca@tca.gov.au
W: www.tca.gov.au
ABN 83 113 379 936



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| Version | Date | Description |
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| 1.0 | 2006 | Intelligent Access Program (IAP) Operating Model |
| 2.0 | 2012 | Update to incorporate Certified Telematics Service (CTS) |
| 3.0 | 2013 | Update to incorporate type-approvals |
| 4.0 | 2018 | Update to complement revised suite of documents |

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TCA page numbering convention: for ease of digital readability and referencing the cover is page 1.

NATIONAL TELEMATICS FRAMEWORK

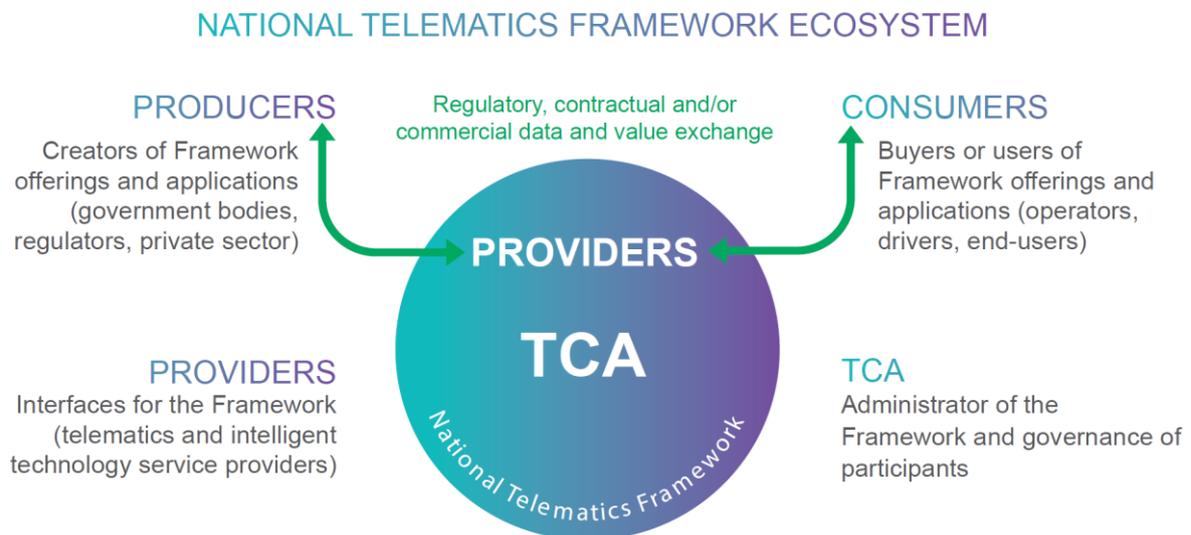
The National Telematics Framework is a digital business platform consisting of infrastructure and rules that support an open marketplace of telematics and related intelligent technology providers.

The National Telematics Framework:

- Provides a national platform for the use of telematics and related intelligent technologies
- Supports different applications across regulatory, contractual and commercial needs
- Supports different levels of assurance
- Is outcome focussed and encourages innovation.

The adoption of the National Telematics Framework for the delivery of offerings and applications both for public policy and private decision making is a world first. It has positioned Australia as the leader in the delivery of such services through the advent of the digital economy.

The National Telematics Framework was established following a series of decisions made by Responsible Ministers between 2003 and 2008 and was globally recognised as an International Standard (ISO 15638) in 2012.



1 INTRODUCTION

Just as the National Telematics Framework supports multiple applications, the Framework also supports different levels of assurance.

The National Telematics Framework allows Producers to determine the level of assurance for applications, depending on such things as:

- The intended use of a telematics application
- The risks being managed
- The needs and expectations of consumers (and other stakeholders)

The different levels of assurance enable Producers and Consumers to:

- Use telematics applications for a diverse range of purpose
- Apply the appropriate level of independent assessment commensurate with intended outcomes
- Allocate risk to the party/ies best placed to manage those risks
- Obtain the right balance between costs and benefits.



Importantly, assurance levels can be “dialled-up” or “dialled-down” without impacting the common business rules of the National Telematics Framework.

The National Telematics Framework does not prescribe or ‘hard-wire’ a specific level of assurance. Instead, the level of assurance is determined by individual producers.

DELIVERING PUBLIC OUTCOMES

Government agencies have responded to calls to modernise the way that services are delivered to the community.

Government agencies and regulators need to make decisions that are evidence based, proportional, and exercise a prudent use of resources.

Data and information obtained from applications of the National Telematics Framework can, when used appropriately, assist to inform government policy and program decision making.

The National Telematics Framework enables policy makers and program managers to manage data (with the appropriate levels of assurance) to not only deliver public outcomes, but which can transform the way governments (as producers) do business with consumers.

2 LEVELS OF ASSURANCE

TCA interacts with a variety of government agencies, regulators and commercial entities to harness the National Telematics Framework to meet their respective policy needs.

Some applications require a very high degree of independent oversight and assurance, while other applications can be effective (for their intended use) with lower levels of assurance.

| LEVEL | | DESCRIPTION | EXAMPLES |
|--|---|--|---|
|  Level 1 Assurance | Self-assessment or advisory No independent oversight | Self-assessment of data No independent oversight of telematics application | Consumers need to self-assess the use of data in relation to its intended use |
|  Level 2 Assurance | Independent assessment – periodic audit | Independent assessment of specific elements of telematics application Telematics data is combined with other data sources | The use of telematics data in combination with other data sources, to deliver an intended purpose |
|  Level 3 Assurance | Independent assessment – oversight | Certificate based data and evidence Independent assessment and oversight of telematics application and service provision. | The use of telematics data as the primary source of data to deliver an intended purpose |

Level 1 Assurance relies on the self-assessment. Level 1 is associated with ‘advisory’ applications, where data is not being depended upon for high levels of accuracy or integrity.

Level 2 Assurance provides greater rigour in the collection and reporting of information from telematics application. Level 2 is complemented with other data sources (such as data and information collected from other systems, administrative records and/or operational programs).

Level 3 Assurance provides the necessary environment for collection and secure storage of high-integrity data which may provide (subject to underlying legislative provisions) certificate-based data and evidence.

3 ENSURING PRODUCERS AND CONSUMERS OBTAIN THE RIGHT LEVEL OF ASSURANCE

Although there are three broad categories of assurance, the National Telematics Framework can support any number of assurance levels to achieve the optimal balance between the level of oversight, risk management and cost effectiveness.

TCA works with different producers across multiple policy areas and industry sectors to enable the appropriate outcomes by balancing policy, technical, commercial and operational elements of an application, to deliver the appropriate level of assurance.

This recognises that the use of telematics application by producers often represent major changes to the way governments, or industry stakeholders, manage services and mitigate risks.

In TCA's experience there is no perfect fit or alignment with any one of the levels of assurance.

Rather, there are numerous sub-options within each level of assurance, which will be influenced by a number of factors, including:

- The intended purposes and desired outcomes sought from using a telematics application
- The motivations of Consumers to utilise a telematics application
- The incentives or disincentives for consumers to contribute to the intended outcome (for example, are there incentives for consumers to opt-in to use the application?)
- The mechanisms external available to producers, which complement the use of a telematics application, which (when used in combination with a telematics application with an appropriate level of assurance) can contribute towards the desired outcome.

With respect to the last dot point (above), it is important to that the use of a telematics application (with appropriate levels of assurance) coupled with other mechanisms external (also with appropriate levels of assurance) may contribute towards the desired outcome sought by a producer. (See Application Builder).

Once the objectives and desired outcomes are clearly articulated by the producer, the appropriate application, levels of assurance, and use of common components within the National Telematics Framework, be progressed.

It is important to note that the application and its underlying Level of Assurance is a decision for each producer. While TCA can lend its knowledge and experience to the design of the application, TCA remains independent of policy decisions which influence the use of telematics applications, and their level of assurance.

4 QUESTIONS FOR PRODUCERS

Determining the appropriate level of assurance for a telematics application can be drawn out by addressing the following questions:

- What is the problem that is sought to be solved?
- Why is producer (government or commercial entity) action needed?
- How much of the problem/action will be undertaken by the telematics application and how much can/should be undertaken outside the application?
- What benefits would an application of the National Telematics Framework enable?
- What is the net benefit of the desired behaviours that are being sought?
- What incentives exist for consumer participants to game/cheat the application?
- What is the intended use of the information obtained from the application (i.e. could it be used against consumer participants)?
- How will the application interact with other interventions (i.e. is it stand alone, will it be used in conjunction with other information, could it be used to influence other government permissions)?
- How will participation in the application be facilitated?

Also refer to the *National Telematics Framework - Application Builder* Document.

A graphic banner for the National Telematics Framework. It features a network of interconnected nodes and lines in shades of grey and blue. The text 'NATIONAL TELEMATICS FRAMEWORK' is positioned on the left side. The background transitions from light grey to a dark blue gradient on the right.

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www.tca.gov.au

CONTACT

Transport Certification Australia
Level 6, 333 Queen Street
Melbourne VIC 3000

Phone: + 61 3 8601 4600
Email: tca@tca.gov.au
Website: www.tca.gov.au
