

LEGISLATIVE COUNCIL STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS

2017-18 ANNUAL REPORTS QUESTIONS PRIOR TO HEARINGS

Southern Ports Authority

The Committee asked:



1. How frequently do you review your

(a) key performance indicators

Answer:

Quarterly

(b) key performance indicator targets?

Answer:

Annually, or more frequently if required

2. When were your key performance indicators last reviewed?

Answer:

Quarter ending September 2018

3. Can you provide any documentation from your last review of your key performance indicators?

Answer:

See attachment 1.

4. Can you list any new key performance indicators for this year?

Answer:

Additions to 2018-19 include:

- SAFETY - Medical Treatment Injury Frequency Rate; Number of fatalities, Lost time injury severity rate; percentage of injured workers returned to work within 13 weeks (and 26 weeks) of injury; and Percentage of managers and supervisors trained in occupational safety, health and injury management responsibilities.
- PLANNING – Breakout of Port development plans for each of our 3 ports.

5. In relation to credit and debit card payments

- (a) Do you allow a person to pay for goods and services with credit or debit card

Answer:

Yes

- (b) If so, when a person pays a fee or fine by credit or debit card

- (i) What surcharge do you apply to process that card payment

Answer:

Nil

- (ii) Do you impose the same surcharge irrespective of which type card is used

Answer:

Not applicable

- (iii) Is that surcharge authorised by a legislative Instrument, for example, by regulations

Answer:

Not applicable

- (iv) What steps have you taken to ensure compliance with Reserve Bank of Australia Standard No. 3 2016 titled 'Scheme rules relating to merchant pricing for credit, debit and prepaid card transactions'

Answer:

Not applicable

- (v) As per the Standard, is your surcharge no greater than the average cost of acceptance of the lowest cost system, not an average of all cost systems?

Answer:

Not applicable



**2.4 Q1 FY19 KPI's as per SCI**

| Category     | KPI  | FY19 Target                                     | Actual Q1 | Q1 | Q1 Comments  |
|--------------|--|---|-----------|----|--|
| HSES         | Lost Time Injury Frequency Rate  | 30% year on year reduction or benchmark (6.9)   | 6.9       | ✓  | Refer HSES summary report  |
|              | Total Recordable Injury Rate   | 30% year on year reduction or benchmark (9.8)   | 20.8      | ✗  | Refer HSES summary report  |
|              | Medical Treatment Injury Frequency Rate (restrictions and no restrictions)   | 30% year on year reduction or benchmark (6.3)   | 13.9      | ✗  | Refer HSES summary report  |
|              | Significant Incidents  | 30% year on year reduction or benchmark (15)    | 11        | ✓  | Refer HSES summary report  |
|              | Number of fatalities   | 0   | 0         | ✓  | Refer HSES summary report  |
|              | Lost time injury severity rate   | 10% improvement on the previous three years (0) | 0         | ✓  | Refer HSES summary report  |
|              | Percentage of injured workers returned to work within 13 weeks of injury   | ≥80%  | 100%      | ✓  | Refer HSES summary report  |
|              | Percentage of injured workers returned to work within 26 weeks of injury   | ≥80%  | N/A       | ✓  | Refer HSES summary report  |
|              | Percentage of managers and supervisors trained in occupational safety, health and injury management responsibilities | ≥80%  | 0%        | ✗  | Refer HSES summary report  |
| Financial    | Rate of Return on Assets - SP  | 9.7%  | 6.7%      | ✗  | 12 month rolling Rate of Return  |
|              | EBIT Margin - SP   | 29.0%   | 0.8%      | ✗  | Revenue was \$12.4M lower than budget, as a result of no iron ore exports occurring, whilst expenditure was \$2.6M lower than budget. Income Statement (expenditure) impacted by \$1.8M for voluntary redundancies in September. |
| People       | Total berth hour lost due to SP industrial disputes  | 0   | 0         | ✓  | No time lost across all ports  |
|              | Cultural Entropy   | <45   | NA        | NA | Survey to be conducted prior to the end of March 2019  |
| Assets       | CAGR - Total Tonnes  | -0.39%  | -5.9%     | ✗  | Annualised contraction in trade growth over last 5 years, driven by lower iron ore exports in FY18 and no iron ore exports occurring between July and September.   |
|              | Vessel Turnaround time - Albany  | 60-65   | 66        | ✗  | 5 vessels were delayed in Port due to weather events (2 woodchip and 3 grain vessels)  |
|              | Vessel Turnaround time - Bunbury   | 60-65   | 68        | ✗  | In target  |
|              | Vessel Turnaround time - Esperance   | 60-65   | 51        | ✗  | Loss of trade, particularly iron ore   |
| Planning     | Port Development Plan – Albany   | Completed                                       | 50%       | ✓  | Draft to be reviewed and completed by end of financial year  |
|              | Port Development Plan – Bunbury  | Completed                                       | 75%       | ✓  | Work underway expect draft plan to be delivered February 2019  |
|              | Port Development Plan – Esperance  | Completed                                       | 80%       | ✓  | Draft to be reviewed at next strategic meeting with the Board  |
|              | % of major project phase completed on time   | >95%  | 35%       | ✗  | Delay due to change in scope of Hughes Rd project.   |
| Stakeholders | Southern Ports Operations Safety and Environment Community Complaints  | 10  | 8         | ✓  | Refer HSES summary report  |
|              | Stakeholder Survey   | >50   | NA        | NA | Stakeholder survey scheduled for completion by June 2019   |

|   |                                   |
|---|-----------------------------------|
| ✓ | Actual on or exceeding SCI Target |
| ✗ | Actual below SCI Target           |

## 2.2 MONTHLY HSES REPORT – SEPTEMBER 2018

DATE: 7 October 2018

### Lagging Indicator Performance

| KPI                                    | SP Target | SP Actual | Status <sup>1</sup> FY19 |
|--|-----------|-----------|--------------------------|
| Fatality                               | 0         | 0         | √                        |
| TRIFR (*/~)                            | 9.8       | 20.8      | X                        |
| LTIFR (*/~)                            | 6.9       | 6.9       | !                        |
| MTIFR (*/~)                            | 6.3       | 13.9      | X                        |
| LTISR (+)                              | 0         | 0         | √                        |
| LTIIR (+)                              | 0.84      | 1.04      | X                        |
| RTW within 13 weeks (+)                | ≥80%      | 100%      | √                        |
| RTW within 26 weeks (+)                | ≥80%      | N/A       | √                        |
| Substantiated Community Complaints (^) | 20        | 8         | !                        |
| Sig. Incidents (L3-L5) (^)             | 15        | 11        | !                        |
| Non-Sig. Incidents (L1-L2) (^)         | 112       | 31        | √                        |
| Regulatory Breach (^)                  | 5         | 9         | X                        |

TRIFR – Total Recordable Injury Frequency Rate (12 month rolling)

LTIFR – Lost Time Injury Frequency Rate (12 month rolling)

MTIFR – Medical Treatment Injury Frequency Rate (12 month rolling)

LTISR = Lost Time Injury Severity Rate

LTIIR = Lost Time Injury Incidence Rate

(\*) Denotes 12 month rolling actual performance, all other figures are FY19 rolling actual performance

(+) Target taken from Public Sector Commissioners Circular CoP OSH in WA Public Sector 2012-05

(^) Target calculated as a 30% reduction on FY18 performance

(~) Target calculated as a 10% reduction on FY18 performance

#### Explanatory notes

TRIFR, MTIFR, LTIIR and Regulatory Breach (red) – all remain above the targets established for FY19 (refer details below). Substantiated Community Complaints, LTIFR and Significant Incidents (amber) – within 5% of target(s) however high (pro-rata) for FY19. LTISR, RTW and Non-Significant incidents (green) – all remain above or below the targets established for FY19.

#### Substantiated Community Complaints

- PoB – Dust complaint on property from local resident (open)
- PoB – Odour complaint received from local resident regarding biomass stockpile (closed)

#### Significant Incidents (L3 - L5)

- PoE (Level 3) – Broken mooring line on 'Minoan Dignity' (closed)
- PoE (Level 3) – Muscular strain (back) whilst exiting vehicle resulted in MTI (w/ restrictions) (open)

#### Regulatory Breach

- SP - Improvement Notices x 3 issued by WorkSafe

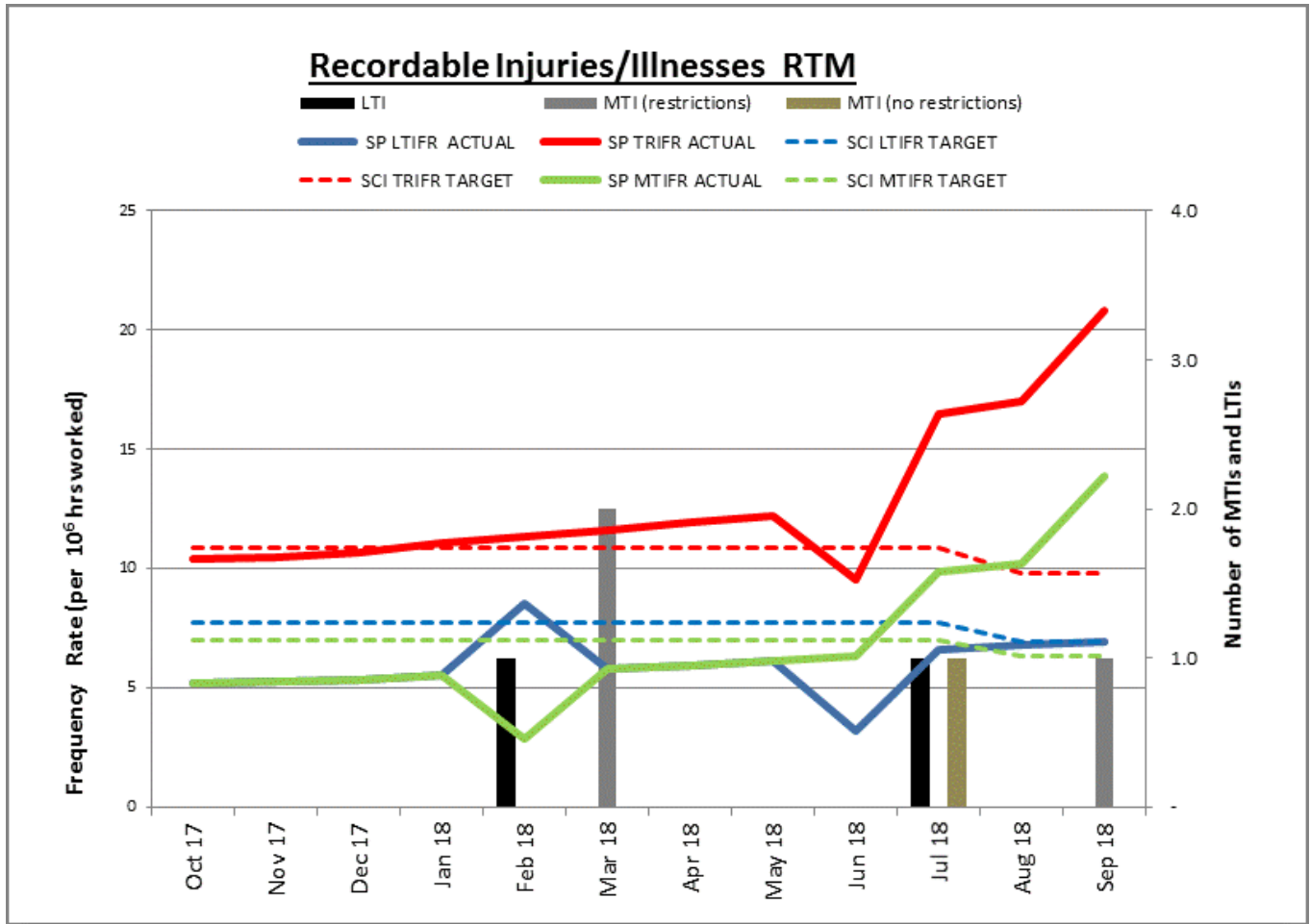
Action 1: Operational risk register reviews will be held at each Port in September 18 to reassess the psychosocial hazard exposure profiles (inherent/residual) with additional controls (complete).

Action 2: GM HR to develop and implement the Wellness Improvement Plan with ongoing support provided by the ELT (ongoing).

Action 3: Review and update the Business risks (HR and OSH) and Operational HSES risks registers in consideration of planned, in progress and completed Treatment Action Plans for psychosocial hazards (complete)

<sup>1</sup> Green = meets or exceeds target by greater than 5%, Amber = within 5% of target, Red = below 5% target

**Recordable Injury/Illness Profile**

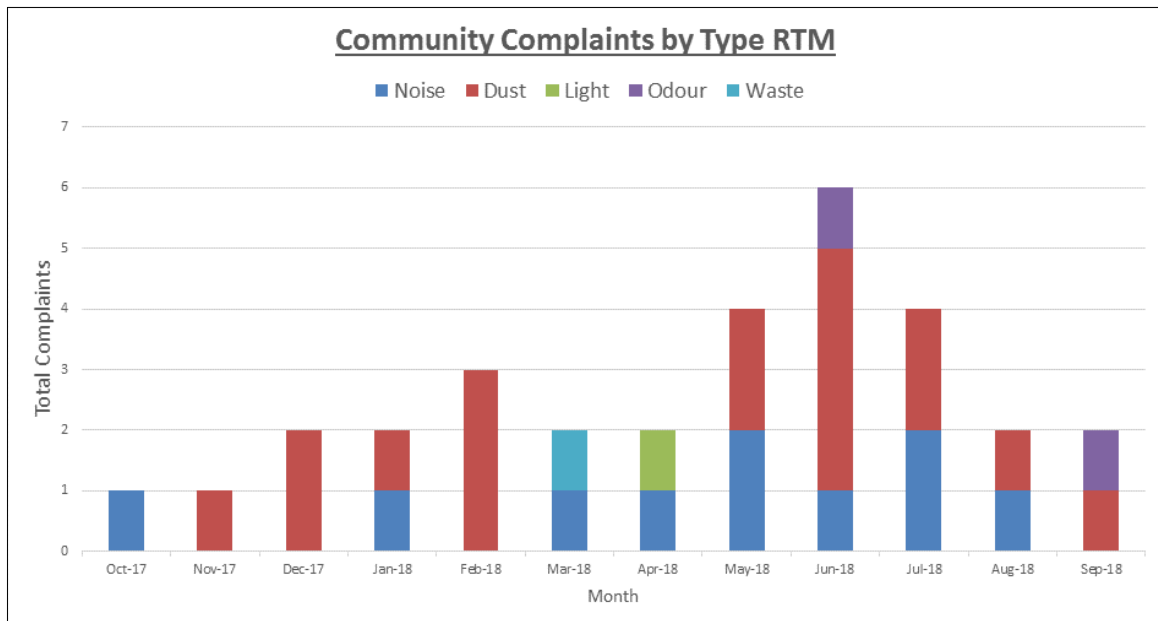


Explanatory notes

There was one recordable injury in Sep 18 (refer significant incident summary). A reduction in overall hours worked (less trade and reduced staff numbers) from Dec 17 to Sep 18 continues to illustrate a progressive increase in TRIFR, LTIFR and MTIFR per million hours worked for the Rolling Twelve Month (RTM) period.

**Substantiated Community Complaints**

There has been an observed decrease in the total number of substantiated community complaints in the first three months of FY19. For the RTM period 81% of all substantiated community complaints have been recorded at Bunbury Port.



## Leading Indicator Performance

| KPI                                    | SP Target   | SP Actual   | Status FY19 |
|--|-------------|-------------|-------------|
| OSH Inspections                        | 1 / week    | >1 / week   | √           |
| Environment Inspections                | 1 / week    | 1 / week    | √           |
| Security Inspections                   | 1 / day     | >1 / day    | √           |
| LRZ Security Patrols                   | 1 / day     | 1 / day     | √           |
| MSIC Checks                            | 10 / day    | 10 / day    | √           |
| % Managers trained in OSH & IM         | ≥80%        | 0%          | X           |
| Near Miss Incidents (^)                | 105/year    | 31          | √           |
| Workforce Engagements (^)              | 250/year    | 114         | √           |
| Pre-shift meeting attendance           | 1pp / week  | >1pp / week | √           |
| HSES Alerts                            | N/A         | 31          | √           |
| HSES Focus Campaigns                   | 1 / quarter | 1 / quarter | √           |
| Operational HSES risk register reviews | 2 / year    | 1           | √           |
| Hazard Observations (^)                | 254         | 42          | X           |
| HSES audits (internal)                 | 1 / quarter | 1 / quarter | √           |
| Injury/Illness Free Days (^/*)         | 343         | 352         | √           |

Note: All SP Actual results are calculated as cumulative performance (pro rata) against the SP Targets for FY19  
 (^) Target calculated as a 30% increase on FY18 performance  
 (\*) Denotes 12 month rolling actual performance, all other figures are FY19 rolling actual performance

### Explanatory notes

- Per cent of Managers and Supervisors trained in OSH and Injury Management (red) – Action: Align with Strategic Project: OSH Essentials for all staff and Leaders (refer Action 4).
- Hazard Observations (red) – Below the FY19 SP Target (pro rata) (refer Action 4).
- Workforce engagements (green) – Above the FY19 SP Target (pro rata) (refer Action 4).
- HSES audits (internal) (green): Internal security audits completed at all Ports in CY19Q1.
- Injury/Illness Free Days (green) - There have been a total of 352 days with no reported injury/illness in the past 12 months (excluding Non-Work Related injuries and Non Treatment Injuries), this is above the FY19 SP target (pro rata).
- All other leading indicators (green) continue to exceed FY19 SP target levels (pro rata).

Action 4: GM HSES to develop and implement OSH Essentials training for all staff across all Ports and West Perth commencing Nov 18 in accordance with the *Public Sector Commissioners Circular CoP OSH in WA Public Sector 2012-05* and the 3yr HSES Strategy (open – refer October 18 out of session Board paper).

Action 5: ELT to implement a business wide RU@K? Focus Campaign in Sept 18 (complete)

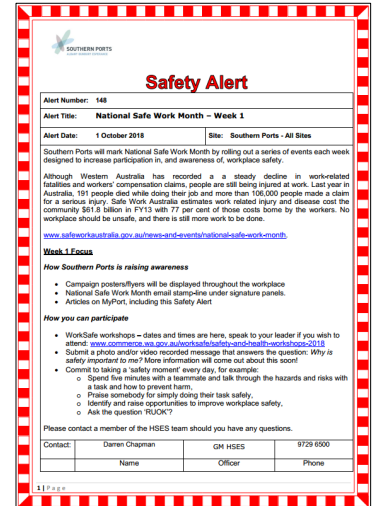
Action 6: GM HSES to implement a business wide National Safe Work Month Focus Campaign in Oct 18 (open)

## National Safe Work Month

Throughout the month of October Southern Ports will be rolling out a National Safe Work Month campaign.

Key features will include:

- Safety moments, posters, brochures, DMIRS events (Week 1)
- Psychosocial focus – World mental health day, resources (Week 2)
- Workplace inspection – 5 in 5 days (Week 3)
- Why is Safety Important to me? Staff video messages/pictures (Week 4)



## ISO 14001:2015 Certification for Bunbury Port

Bunbury Port were successful in attaining ISO14001:2015 certification in the past month for its Environmental Management System. Environmental Manager Duncan Gordon and his team are commended for their hard work in achieving this milestone.

In accordance with the 3yr HSES Strategy, Management will consider extending this certification (in addition to ISO 45001:2017 Safety Management Systems) across all Ports in CY20 post harmonisation for the Integrated Business Management System.



## Strategic Project Update

HSES team members (across all levels) have been assigned projects in CY18 that fall within the two strategic pillars of *HSES Systems and Processes* and *HSES Competencies and Culture*. In addition a number of strategic projects have been established.

### Strategic HSES Project Update

- Consolidated Emergency Management / Crisis Management Plan (complete)
- Crisis and Emergency Management training and exercises (all Ports and West Perth) in CY18 (complete)
- Maritime Security Plan exercises (all Ports) in CY18 (complete)
- Compartmentalisation of the Bunbury Port Maritime Security Zones 85% (~~Sept 18~~) (Oct 18)
- Safety Essentials for staff and Leaders development and deployment 50% (~~Oct 18~~) (Nov 18)
- Hazard and Risk Management re-engineering 35% (~~Oct 18~~) (CY19)
- Security audit (MSP/IB) (external) (Oct 18) (complete)
- Induction upgrade (all Ports) 95% (~~Oct 18~~) (Nov 18)
- INX (event management software) rollout across Southern Ports 75% (~~Oct 18~~) (Nov 18)
- Standardised Risk Management tools (incl. Fatal 5) 75% (~~Oct 18~~) (Nov 18)
- Mock Court training (integrated into Safety Essentials for staff and Leaders) 50% (Nov 18)
- Access Control Contract Renewal Bunbury Port 95% (Nov 18)
- Standardised software (security access, surveillance) 60% (~~Dec 18~~) (CY19)
- Emergency Management Internal Audit 25% (Dec 18)
- Standardised IBMS project 15% (CY20)
- Esperance Port Environmental Licence (inclusive of 'reformed' material change conditions) (complete)

A number of sub-committees / working groups have been established the support each project.

Action 7: Southern Ports – Bunbury security contract recommendation (refer September 18 Board paper) (complete)