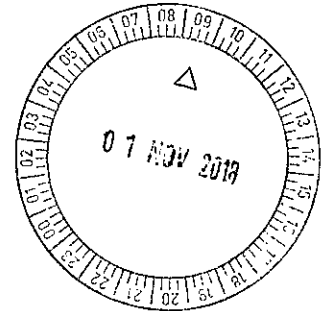


LEGISLATIVE COUNCIL STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS

2017-18 ANNUAL REPORTS QUESTIONS PRIOR TO HEARINGS

Kimberley Ports Authority

The Committee asked:



1. How frequently do you review your

(a) key performance indicators

Answer:

The KPI Strategic Measurements and Targets are reviewed on an annual basis.

(b) key performance indicator targets?

Answer:

The KPI Target achievements/outcomes are reviewed on a quarterly basis.

2. When were your key performance indicators last reviewed?

Answer:

The KPI Target achievements/outcomes were last reviewed on 1 June 2018. The KPI Measurements were last reviewed in August 2017.

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:

New Strategic Measure for 2017/18	Target
Revenue growth over five years	Between 10% to 30% growth
Service supplier to Browse	Demand growth
Fully support the maritime requirements for industry based in the Kimberley	Diversify and increase trade across the Kimberley
Fund operations in a fluctuating trade environment	Certainty of funding for day to day operations
Maximise market share of attractive industries	Stem loss of trade to other States and regions

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:

The surcharge for a Mastercard payment is 0.19c plus 0.44 per cent of the transaction amount. The surcharge for a Visa payment is 0.19c plus 0.32 per cent of the transaction amount.

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

Answer:

No

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

Answer:

No, cost recovery



- (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:

At the time of the implementation of the RBA scheme in 2016, the Kimberley Ports Authority (KPA) consulted with its financial institution regarding the bank charges for processing debit and credit cards and set our surcharge fees based on that information.

- (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:

Yes

WATC			⚠			x							KPA's current WATC loans amount to \$14M.
Private funding			✓			X agreeme nt signed and announc ement made.			X Business case to be delivere d				Kimberley Marine Supply Base are approaching the Northern Australian Investment Fund and private equity investors. A non binding agreement has been finalised and signed. The project is underway and was announced 31 May by KPA. A due diligence consultant and a project manager have been appointed along with Paul Gribble of LSV Barrello as a legal consultant.
PLANNING & INFRASTRUCTURE													
Ensure assets best enable trade optimisation:	ENG												
Secure suitable crane to best enable trade		H1	✓			x							KPA has selected a -5 year crane replacement strategy and WATC is investigating funding options and preparing a business case.
Provide infrastructure for large cruise vessels		H1	✓			X for tender release		X for dredging					Channel Optimisation Project is underway please refer to the Engineer's Board report for the entire update. Cruise ship gangway access design will not enable wharf access below the deck level due to the danger presented to passenger's if disembarking in the crush zone. The investigation of a floating pontoon may need to be revisited to accommodate these types of vessels. Or the KMSB proposal may be able to accommodate mid to small cruise vessel passenger transfers.
Potential dedicated facilities for roto tugs		H1	✓			x							An agreed gangway design is being fabricated and will be operational by June 30.
Facilitate container park including reefer facilities in Broome		H2	⚠										No action until the quantum of trade is developed.
Pontoon infrastructure		H2-3	⚠										This option is currently being reviewed, given the design constraints of the cruise ship gangway access.
Complete strategic acquisition of plant and equipment		H1-3	✓					x					Refer Strategic Asset Plan which is updated annually.
Review and transition infrastructure to support operations and maintenance		H2	✓					x					Refer Straegic Asset Plan which is updated annually.
OPTIMISED MODEL & CAPABILITY													
Enhance processes to improve safety, operational efficiency and effectiveness (including forecasting).	CEO	H1	✓			X Procurm ent project x ICT Project	x						Fees and charges review underway. Operations manager has reviewed his team and continues to review processes and applicable software options. CFO to reviewing finance software and interactive processes with other departments. Procurement and contract processes are under review and training being organised. ICT Disaster Recovery project progressing well and will be finalised this financial year.
Secure approval for operating model in Broome (people, process and technology)		H1-3	✓				x						Broome office requirements established and KPA is considering amalgamating all personnel in one office at the Toll Mermaid building. Costs to completely vacate the 401 Port Drive office are being sought.
Ensure development readiness through planning, subject to demand:													
•Master Planning: Heritage, Native title, Approvals		H2-3	⚠										Completed Master Plan for Port of Broome, and a Structure Plan to be developed. Awaiting ports amalgamation to initiate with other ports.

•Marine baseline		H3	⚠									Completed for Port of Broome baseline study with ongoing monitoring. Awaiting ports amalgamation to initiate with other ports.
AMALGAMATION												
Complete demand analysis for each port (once amalgamation confirmed)	CM	H1-3	⚠									The latest information from DoT is that the Ports Authority Act 1999 amendments may not go to Parliament for one to two years.
Complete transition Plans for Derby, Yampi and Wyndham Ports (including HSE)		H1	⚠									The assessment of management options for Port of Wyndham, have been postponed until a date can be identified for the legislation to progress. CIBU is liaising with KPA on the extension of CLG's contract and fuel pipeline agreement for up to 2 years.
Develop strategic asset plans with each port and an integrated KPA plan:		H2	⚠									Deferred until clear guidance is received on when the ports will be vested in KPA.
•Complete gap analysis			⚠									
•Prioritise projects			⚠									
•Business case opportunities			⚠									
Facilitate liner service and other business development including KML at Wyndham		H2	⚠									KPA now on the stakeholder engagement group with JTSI for Sea Dragon project.
Complete operating model review (people, process and technology) for Yampi and Wyndham		H2-3	⚠									Deferred until clear guidance is received on when the ports will be vested in KPA.
Enable establishment of maritime support services across the Kimberley		H3	⚠									Deferred until clear guidance is received on when the ports will be vested in KPA.
TRADE DEVELOPMENT												
Attract bulk commodity exporters and increase area of land leased	CEO	H1-3	⚠							x Sheffi eld		Sheffield Resources - zircon bulka bags transported in containers. Sheffield is investigating land and storage availability. Buru Energy - investigating options and continuing negotiations with Viva Energy. Sheffield have signed a port access agreement with the Shire of Derby.
Facilitate liner service and other business development including Sheffield and KML		H2	⚠									Require an industry or industries in the Kimberley achieving adequate economies of scale to make sea transport financially competitive. Minimum 100 containers required to induce a shipping liner to call at a Kimberley Port. The KMSB project may contribute to identifying enough trade to attract a liner service.
Enable establishment of maritime support services across the Kimberley		H3	⚠									Engaging with Broome Futures and Shire to encourage the development of a capability statement for the town.
Become a home port for cruise vessels		H3	⚠					x				Investigate expeditionary cruises potential with Tourism WA and at the Cruise Exchange. KPA to visit cruise liner companies in Sydney to provide a capability statement and gain information on the requirement for a floating wharf facility to accommodate mid-sized and expeditionary cruise vessels.