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Heavy Vehicle Service Standards Policy



Introduction

The aim of this policy statement is to clearly identify the Port's aims with regard to servicing of heavy vehicles at Port sites. The focus is on the achievement of improved outcomes for industry related to the safety and efficiency of the Fremantle container supply chain. The general outcomes sought are safe, efficient, fast and consistent service to all receivals and delivery (R&D) trucks undertaking business at port-based sites.

This policy should be viewed in conjunction with the Fremantle Ports Vehicle Traffic Management Policy.

Policy Objectives

The objectives of the **Heavy Vehicle Service Standards Policy** are to maintain and, where possible, improve:

- efficiency of the Fremantle Ports Inner Harbour supply chain;
- road safety for tenants, employees, transport operators and the general public; and
- performance outcomes to industry, particularly third-party operators accessing tenant sites in the port precinct, where no effective commercial relationship between the parties exist.

These objectives recognise Fremantle Ports' functions, powers and obligations under the Port Authorities Act 1999 and associated regulations, and overarching mission to facilitate trade in a sustainable way into the future as volumes increase and the Port industry further matures.

Policy Rationale and Statement

The Heavy Vehicle Service Standards Policy is based on the following considerations:

- (i) Heavy vehicle transport is a critically important part of the supply chain and it is essential that the Port ensures that site operations' practices in the port precinct support the efficiency of road carriers. At the same time, heavy vehicle movements within the precinct need to be managed to ensure that high standards of safety and access to tenants' sites is maintained and, where possible, improved.
- (ii) Some sites within the Port precinct play a key role in the container supply chain and the way in which services they supply to road operators are provided can materially affect industry efficiency. For some of these facilities, services provided to third party operators are not governed by balanced commercial relationships and performance agreements. Measures to promote provision of at least minimum standards of performance are therefore warranted in these instances.
- (iii) Port tenants operate as commercial businesses, and may not have ultimate control over all aspects of their operations due to, for example, contractual commitments with clients.
- (iv) Third-party operators may operate in ways that conflict with the above, and in such cases, tenants will need to work with operators to achieve the desired

outcomes of this Policy (e.g. such as through the use of vehicle booking/notification systems).

- (v) For the above reasons, this policy statement sets out:
- service standard principles which should guide current and future provision of service through on-port sites; and
 - the means to promote achievement of these principles, primarily through introducing Key Performance Indicators (KPIs) and the means to monitor service performance.

These principles and measures may need to be adjusted over time to ensure industry outcomes are delivered.

1. Service Standard Principles

Site operators should:

- a) Demonstrate that they have taken all reasonable steps to ensure trucks, particularly third-party operated vehicles, are turned around quickly and efficiently within the boundary of the tenant's site.
- b) Service all transport operators who have a valid booking or notification slot, within an agreed period of time and ensure priority is given to servicing trucks that arrive in time for those slots.
- c) Consistently offer a minimum level of access to operational sites to meet industry demand (for example, provide a minimum number of vehicle booking slots or notification slots to meet demands at peak and off-peak times).
- d) For booking/notification systems introduced to manage truck arrivals, ensure that business rules applied are fair and ease of use is such that they do not place unnecessary impediments on industry, including, where possible, use of industry standard systems.
- e) Ensure an appropriate level of equity and efficiency is considered in the servicing of vehicles during both normal operations and times of congestion.
- f) Operate at times required to meet demand and ensure efficiency of operations and service to industry is maintained.
- g) Work with industry and the Port to ensure that to the extent possible, activities which disrupt normal R&D servicing (such as bulk runs and movement of out of gauge equipment) occur out of peak operating hours.
- h) Ensure that, as far as possible, the fullest range of services is offered during operating hours.

- i) Provide and maintain operational equipment servicing industry, including but not limited to forklifts, reach stackers, ITVs, etc, to a standard that does not impede safe and efficient operations and service to clients.
- j) Work with industry and the Port to promote measures to improve truck utilisation into and out of the Port precinct and to manage truck volumes as Port throughput increases over time, including, but not limited to, increasing the use of rail.
- k) Ensure container volumes within the boundaries of the site do not exceed the limit at which efficiency of operations and performance to third-party operators accessing the site are impeded.
- l) Work with industry and the Port to ensure that significant changes to operations and/or charges that affect third parties are only carried out following appropriate consultation, including but not limited to for example, industry forums, surveys, etc.

2. Key Performance Indicators and Metrics: Proposed Measures

To give effect to this policy, a number of Key Performance Indicators (KPIs) and statistics (“Operational Metrics”) have been identified which may be applicable in part or full to various tenants that undertake heavy vehicle operations within the Port precinct. It is not the intention to have all of these in effect for all tenants initially, and ongoing monitoring of results and changing circumstances will indicate those which are required.

Fremantle Ports retains the right to edit, vary, introduce or exclude KPIs and Operational Metrics over time, and flexibility is essential in this respect to ensure that the Port’s objectives and the guiding principles of this Policy are maintained over the course of long-term leaseholds. Consultation with industry, Port tenants and other stakeholders will be undertaken to ensure currency and applicability of KPIs, and this process will assist in determining appropriate KPIs, including targets and penalties.

Operational Metrics are used to gauge how the operations of Port facilities are tracking over time, and these may be used to indicate the driving factors that influence the performance of the tenant in relation to KPIs. Over time, it may be necessary to elevate these metrics to KPIs where deemed appropriate by the Port and in consultation with industry and the tenants affected.

The KPI Policy is that:

- a) KPIs involving appropriate means for addressing underperformance and rewarding exceptional performance will be applied to tenant operations relating to the business being undertaken on the site.
- b) Operational Metrics will be applied to tenant operations and will vary depending on the business being undertaken on the site.

- c) KPIs and Operational Metrics applicable to operations may be subject to change, in part or full, including removing or adding new KPIs or metrics, as notified by Fremantle Ports throughout the course of site tenure and in accordance with the provisions set out in the tenant's lease.
- d) Tenants are required to act on reasonable requests from Fremantle Ports to provide additional information or rectify issues arising from the ongoing monitoring of KPIs and metrics.
- e) Where required and at the sole discretion of Fremantle Ports, monitoring equipment may be installed on the site to independently confirm KPI and metric compliance.
- f) Tenants are required to provide data in a timely manner and in an agreed format to facilitate the review of results of applicable KPIs and metrics.
- g) Collection of data in support of KPIs and metrics creates additional administration on the part of the operator and the Port, and all efforts will be made to minimise the impact of this in consultation with the operator.

A summary of indicative KPIs and Operational Metrics, which may be applicable to Port sites handling heavy vehicle traffic in the North Quay/Rous Head Port precinct, has been included below. Note that these may not be applicable to every type of operation within the Port, and does not constitute an exhaustive list.

Empty Container Parks

Key Performance Indicators

- On-road queuing
- R&D Truck Turn Times - gate in to gate out, including onsite queuing and operational areas
- Minimum number of booking/notification slots per time period
- Bulk run containers managed within peak and off-peak periods

Operational Metrics

- Availability of operational equipment
- Computer system downtime
- Delay/Issue communication time to industry
- Intensity of land use

Logistics Operations

Key Performance Indicators

- On-road queuing
- Percentage of containers on rail
- Percentage of terminal R&D managed in off-peak times

Quarantine Approved Premises

Key Performance Indicators

- On-road queuing

Operational Metrics *(note these will not be required initially, but may be introduced if QAP issues emerge)*

- Truck Turn Time - Tailgate, Fumigation & Washes
- Hours spent on QAP activities
- Truck Queue Time to facility