

2021 STAKEHOLDER ENGAGEMENT - SUMMARY REPORT

Port of Melbourne



REPORT

Document status					
Version	Purpose of document	Authored by	Reviewed by	Approved by	Review date
1.0	Draft for review	R. Cavallo		R. Cavallo	07/05/2021
2.0	Draft for review	R. Cavallo		R. Cavallo	21/05/2021
3.0	Draft for review	R. Cavallo		R. Cavallo	24/05/2021
4.0	Final report	R. Cavallo		R. Cavallo	31/05/2021

Approval for issue	
R.Cavallo	31/05/2021

This report was prepared by RPS within the terms of RPS' engagement with its client and in direct response to a scope of services. This report is supplied for the sole and specific purpose for use by RPS' client. The report does not account for any changes relating the subject matter of the report, or any legislative or regulatory changes that have occurred since the report was produced and that may affect the report. RPS does not accept any responsibility or liability for loss whatsoever to any third party caused by, related to or arising out of any use or reliance on the report.

About RPS

Founded in 1970, RPS is a leading global professional services firm of 5,600 consultants and service providers. With experience across 125 countries and six continents we define, design and manage projects that create shared value in a complex, urbanising and resource-scarce world.

From the transport infrastructure that keeps our cities moving, to the masterplanned communities and commercial projects that enhance our regional centres, RPS collaborates with industry, government and the community to take critical projects from ideas to reality.

Prepared by:	Prepared for:	
RPS	Port of Melbourne	
Romina Cavallo	Michael Black	
Strategic Development Manager	Head of Regulation	
Level 13, 255 Pitt Street	Level 19, 839 Collins Street	
Sydney NSW 2000	Docklands VIC 3008	
T +61 2 8099 3200	T +61 3 9683 1455	
E romina.cavallo@rpsgroup.com.au	E michael.black@portofmelbourne.com	

Contents

1			OF MELBOURNE ENGAGED	
	1.1	-	round	
	1.2		Melbourne values	
	1.3	About	this report	2
2	ENG/	AGEME	NT APPROACH	3
	2.1	Comm	unication and engagement objectives	3
	2.2	Draft E	ngagement Principles	4
3	ноw	WEEN	IGAGED	5
	3.1	Engag	ement activities	5
	3.2	Eviden	ce capture and analysis	5
		3.2.1	Data capture plan	5
		3.2.2	Approach to questions	6
4	wно		IGAGED	7
•	4.1			
	4.2			
5	WHA	T WE H	EARD	9
	5.1	Summ	ary	9
	5.2	Techni	cal topics	10
		5.2.1	Deferred depreciation	
		5.2.2	Webb Dock East Berth 4 & 5 Extension	11
		5.2.3	Length of the regulatory period	12
		5.2.4	Service standards	12
	5.3	Engag	ement	12
		5.3.1	Method of engagement	13
		5.3.2	Frequency of engagement	13
		5.3.3	Level of involvement	
6	RECO	OMMEN	IDATIONS AND NEXT STEPS	15
	6.1	Recom	mendations	15
	6.2	Next st	teps	15

Tables

Table 3-1 Engagement activities undertaken	5
Table 3-2 Key topics and questions matrix	6
Table 5-1 Insight themes	9

Figures

Figure 2-1 Draft Engagement Principles	4
Figure 3-1 Data capture and insights plan	5
Figure 3-2 Engagement activities and reach	
Figure 4-1 Commercial relationships between Port of Melbourne and the supply chain	
Figure 4-2 Stakeholder participation	8
Figure 5-1 Combined stakeholder perspectives on key topics from participation survey and follow-up	
questionnaire responses	10
Figure 5-2 Respondents view of deferred deprecation from stakeholder workshops	11
Figure 5-3 Respondents view on value of competition between stevedores from stakeholder	
workshops	11

Figure 5-4 Respondents view of an extension to the regulatory period from stakeholder workshops	12
Figure 5-5 Respondents view on service standards from stakeholder workshops	12
Figure 5-6 Current and future methods of engagement from participation survey and follow-up	
questionnaire responses	13
Figure 5-7 Current and desired frequency of engagement from participation survey and follow-up	
questionnaire responses	13
Figure 5-8 Current and desired level of involvement from participation survey and follow-up	
questionnaire responses	14

Appendices

Appendix A Engagement activities

A.1 Engagement activity details

Appendix B Questions

- B.1 Questions 1:1 meeting
- B.2 Questions Online survey
- B.3 Questions workshops
- B.4 Questions follow up questionnaire

1 WHY PORT OF MELBOURNE ENGAGED

Port of Melbourne is Australia's largest capital city container and general cargo port, handling more than one-third of the nation's container trade. To recover the cost of port infrastructure and facilities (such as roads, rail, channels, berths and wharves) required to provide port services, the Port of Melbourne charges shipping lines fees, otherwise known as Prescribed Service tariffs.

1.1 Background

Each year Port of Melbourne is required to submit a tariff compliance statement to the Essential Services Commission (ESC) of Victoria, demonstrating how it has complied with a pricing order (a regulatory instrument made by the Governor in Council under section 49A of the *Port Management Act 1995* (Vic)). Every five years, the ESC is required to conduct an inquiry and report whether there have been any significant and sustained non-compliances with the pricing order. The first compliance inquiry will commence in late 2021.

The engagement approach planned for 2021 reflected not only the latest interim commentary provided by the ESC in December 2020, but also included consultation topics from past years to ensure a comprehensive engagement approach.

As described in its Statement of Regulatory Approach, the ESC does not prescribe how Port of Melbourne engage port users, but in assessing compliance it is guided by the following questions:

- Has the port's form of engagement been tailored to suit the topic on which it seeks to engage?
- Has the port provided port users with appropriate information outlining the purpose, form and content of the engagement?
- Has the port provided port users with a reasonable opportunity to participate?
- Does the port's engagement program give priority to matters that could have a significant impact on port users?

1.2 Port of Melbourne values

Port of Melbourne's corporate values underpin how everyone in Port of Melbourne behaves and interacts, both internally and externally.

These values have been interpreted in relation to how Port of Melbourne will engage with stakeholders and will underpin the delivery of their Stakeholder Engagement Framework.

Port of Melbourne's \	lalues
-----------------------	--------

Our values	How we behave	What this means for stakeholders	
Accountability	We fulfil our commitments, take responsibility for our actions, and celebrate success	 We schedule meetings and follow-up in a timely manner We fulfil our commitments We identify success and value and share openly with our stakeholders 	
Adding Value	We embrace excellence, and innovation in what we do and how we do it	 We actively identify solutions to stakeholder problems that are aligned with Port of Melbourne objectives We actively align our priorities with stakeholders where appropriate We proactively share insights and information 	
Integrity	We build trust by acting with honesty and transparency	 We build trust with our stakeholder relationships We are honest and transparent in our dealings with stakeholders 	
Collaboration	We achieve more by engaging and working together	 We identify opportunities for collaboration We actively seek out opportunities to work with stakeholders on matters of mutual benefit 	

1.3 About this report

This report provides the outcomes of a direct stakeholder engagement undertaken by Port of Melbourne to accompany the 2021-22 Tariff Compliance Statement.

It includes the following key elements:

- 1. The engagement approach proposed to ensure the expectations of the ESC are fully fulfilled
- 2. **How** Port of Melbourne engaged, including an overview of the progressive conversation that was held with stakeholders throughout the development of the TCS and the methods of engagement used
- 3. Who Port of Melbourne invited to engage and who participated in the activities
- 4. What Port of Melbourne heard provides a review of the feedback received from stakeholders
- 5. **Next steps** and recommendations for Port of Melbourne to consider in the development and delivery of future stakeholder engagement activities.

2 ENGAGEMENT APPROACH

This stakeholder engagement program has been developed to understand the questions raised, current processes and stakeholder relationships, verify concerns and identify where these need to be improved to meet the expectations of the ESC.

In order to respond to ESC expectations and questions raised in both the short and long term, a two-pronged approach will be implemented. This will improve stakeholder relations in the short term, while simultaneously positioning the Port of Melbourne for better long-term, customer-centric engagement:

E	ngagement approach	Objectives	Engagement outcomes
1.	 Short-term Stakeholder Engagement Plan to inform two aspects: a. Engagement to build understanding of key issues and for the 2021-22Tariff Compliance Statement b. Feedback to inform the long-term Stakeholder Engagement Strategy 	 Understand current stakeholder relationships and state of play to identify effective engagement methods Build stakeholder understanding of key issues Provide opportunity for feedback and collaboration, where appropriate Build confidence in our engagement processes with Port Users, other stakeholders and the ESC 	 Meet the expectations of the ESC following the Tariff Compliance Statement 2020-21 annual review Instil confidence in the ESC, that stakeholders are effectively engaged and heard through open channels of communication, transparency and suitable engagement methods
2.	Long-term Stakeholder Engagement Strategy to adopt and use as a baseline for future engagement with stakeholders and the ESC five-yearly review (following stage 1).	• Recommend optimal methods of engagement with port users and other stakeholders informed by the recent engagement process.	 A Stakeholder engagement program that is tailored to suit the many and varied stakeholder groups.

2.1 Communication and engagement objectives

Port of Melbourne is seeking to improve engagement with key stakeholders, build understanding of key issues and meet the expectations of stakeholders and the Essential Services Commission (ESC).

Through this process, Port of Melbourne will identify preferred methods of engagement for stakeholders that will inform the development of a comprehensive engagement strategy for long-term engagement. This action plan aims to:

- Outline consultation and communication methods for the 2021-22 Tariff Compliance Statement
- Generate opportunities for improved engagement and increase knowledge and understanding of key issues amongst stakeholders
- Provide open channels of communication and feedback between Port of Melbourne and key stakeholders on topics of relevance
- Effectively identify the preferred methods of engagement for long-term communication with stakeholders
- Instil confidence in the ESC and wider industry, that stakeholders are effectively engaged and heard through open channels of communication, transparency and suitable engagement methods
- Build confidence and trust between Port Users, other stakeholders and the Port of Melbourne.

2.2 Draft Engagement Principles

Over the last four years, Port of Melbourne has been evolving and improving its approach to stakeholder engagement. Having reflected on feedback through a number of recent projects, Port of Melbourne is developing a *Stakeholder Engagement Framework*.

Underpinning a future *Stakeholder Engagement Framework* will be the following draft engagement principles. Port of Melbourne sought feedback during the 2021 Industry Consultation on the scope and expectations established through the draft principles outlined in Figure 2-1aman.

TRANSPARENT	 We are clear about what, when and how we engage We are transparent on how feedback can inform our decisions We are transparent on the expectations stakeholders have on PoM and our obligations to relevant stakeholders Where appropriate we acknowledge when there are different stakeholder views We recognise that PoM will make decisions in response to statutory and contractual obligations and that we consider these obligations from a whole of port perspective
ACCOUNTABLE	We explain how and why we make decisionsWe enable stakeholders to access relevant information
GENUINE	• We use a range of methods and mediums (such as individual meetings, group workshops etc) to communicate and engage with stakeholders, being flexible in our approach, and taking steps to identify stakeholders' communication preferences
TIMELY	 We provide adequate time for meaningful, fit-for-purpose engagement with stakeholders who are affected, or have an interest in our decisions We have a clear structure of staged engagement in the development and delivery of long term plans
INCLUSIVE	 We identify the relevant stakeholders that may be interested in, or affected by, the issue and the most effective way to engage with these stakeholders Our decisions are well-informed by input from a range of stakeholders who are affected by, or interested in our activities We seek to understand the interests and potentially diverse views of relevant stakeholders
CONTINUOUS IMPROVEMENT	 We listen and learn to improve our engagement We evaluate and monitor our engagement, measuring our approach against these principles

Figure 2-1 Draft Engagement Principles

3 HOW WE ENGAGED

To ensure a broad capture of stakeholders, Port of Melbourne engaged stakeholders in a variety of face-to-face, online and group formats.

3.1 Engagement activities

The engagement activities undertaken are detailed in Table 3-1 below.

Table 3-1 Engagement activities undertaken

Engagement activities	Online / supporting collateral	
Structured 1:1 meetings	Dedicated Port of Melbourne website page	
Stakeholder workshops	Email updates and invitations to stakeholders	
Live sentiment feedback tool	Social media posts	
Online surveys	Detailed presentation documents (tailored for location)	
Follow up participant questionnaires		

3.2 Evidence capture and analysis

3.2.1 Data capture plan

To ensure a comprehensive understanding of the key topics, the engagement approach was supported by a data capture approach.

The nature of engagement activities meant that a vast amount of data was captured in both qualitative and quantitative formats. To ensure that insights were captured across all methods of engagement, questions were meticulously developed across each engagement method. Figure 3-1 below illustrates the data capture methods that accompanied each engagement activity to ensure insights from across the engagements could be consolidated and understood by Port of Melbourne.



Figure 3-1 Data capture and insights plan

The statistics illustrated in Figure 3-2 below demonstrate the broad reach of engagement activities and levels of participation.



Figure 3-2 Engagement activities and reach

3.2.2 Approach to questions

To ensure a robust data analysis approach, the key technical topics included a number of questions across all engagement methods. Table 3-2 indicates which questions (refer Appendix B) are associated with specific topics. Additional questions were also included as input to the development of Port of Melbourne's Stakeholder Engagement Framework and were specifically focused on the methods, scope and frequency of engagement.

Table 3-2 Key topics and questions matrix

Key topic	1:1 meetings	Workshops	Follow up questionnaire	Participation survey
Deferred depreciation	F2, F3, F4, F5 F6	D1	Q2f, Q12	S10f
Length of regulatory period	F10, F11, F12, F13	D2, D3	Q2d, Q13	S10d
Service standards	F14, F15, F16, F17	D4, D5	Q2e, Q14	S10e
Webb Dock East	F8, F9, F7	D8, D6, D9, D7	Q2i, Q15	S10i

4 WHO WE ENGAGED

4.1 Stakeholder overview

To recover the cost of port infrastructure and facilities (such as roads, rail, channels, berths and wharves) required to provide port services, Port of Melbourne charges shipping lines (i.e. Port Users, as defined in the Pricing Order) fees such as wharfage, berth hire or channel fees (otherwise known as Prescribed Service tariffs).

All of Port of Melbourne's Prescribed Services tariffs are levied on shipping lines (or their agents). Stevedores, transport providers, cargo owners and freight forwarders are all stakeholders but typically do not directly pay for Prescribed Services. There are currently approximately 25 shipping lines that call at the Port of Melbourne.

Figure 4-1 illustrates the commercial relationships between Port of Melbourne, Port Users and other stakeholders.



Port Manager charges

Figure 4-1 Commercial relationships between Port of Melbourne and the supply chain

4.2 Stakeholders engaged

Participating stakeholders included Port Users, stevedores and other port tenants, cargo owners, transport operators, intermodal supply chain participants, industry associations, government agencies and peak

bodies. These stakeholders were invited to participate because they had shown interest in issues related to the Port, or are directly or indirectly engaged in port activities.

Port of Melbourne issued 274 invitations to participate in meetings and workshops (including invites to industry peak bodies to allow invites to be sent to all members). The list of stakeholder groups that participated in the engagement activities is listed in Figure 4-2 below.

Port users and other stakeholders were also engaged in other geographies including Tasmania and the Riverina.



Figure 4-2 Stakeholder participation

5 WHAT WE HEARD

The engagement program objectives were to ensure a better stakeholder understanding of the two specific areas. Specifically, it was designed to:

- 1. Understand stakeholder views on **technical matters r**elating to the treatment of deferred deprecation, Webb Dock East Berth 4 & 5 Extension, the length of the regulatory period and service standards.
- 2. Gauge current levels of **stakeholder engagement** and what stakeholder want to see as ongoing engagement in the future.

This section provides a summary of the feedback heard across the key areas as identified in the data capture approach (Table 5-1).

Table 5-1 Insight themes

Technical matters	Engagement		
Specific topics	Current engagement	Future engagement	
 Treatment of deferred deprecation Webb Dock East Berth 4 & 5 Extension Length of the regulatory period Service standards 	 Current relationship and communication methods Frequency of communication Which areas of Port of Melbourne and method of engagement 	 Establishing importance of engagement Expectations of involvement in decisions Methods of engagement 	

5.1 Summary

Overall, 94 stakeholders attended 10 workshop sessions in addition to another 28 individuals who attended 12 one-on-one meeting sessions. There were 16 responses to the participation survey and 13 responses to the follow-up questionnaire. The level of participation in all engagement activities as well as the stakeholder grouping is displayed in Figure 3-2.

The one-on-one sessions, workshops and feedback mechanisms were consolidated into themes to provide insights across stakeholder groups. These are further detailed in the sections below.

The engagement approach was designed to address the key questions raised in the ESC's Statement of Regulatory Approach (refer Section 1.1). The approach is outlined below.

Engagement aim	2021 Stakeholder engagement approach
Has the port's form of engagement been tailored to suit the topic on which it seeks to engage?	 Various methods of engagement were provided to ensure port stakeholders could provide input in variety of ways, these included: Online survey 1:1 meetings Virtual workshops In-person workshops In-session polls Follow-up questionnaires
Has the port provided port users with appropriate information outlining the purpose, form and content of the engagement?	 Introductory and invitation emails provided to all stakeholders, where stakeholders were invited to nominate topics for engagement. Project-specific webpage with detailed information on the purpose, form and content of the engagement, access to all workshops and the participation survey which, among other things, sought feedback on the topics for engagement. A detailed and comprehensive pack was presented and made available online. Statistics show over 700 hits to the project page (refer Figure 3-2).
Has the port provided port users with a reasonable opportunity to participate?	Stakeholders were invited to one of 10 workshops across a period of three weeks.

Engagement aim	2021 Stakeholder engagement approach	
	 Feedback mechanisms included: online surveys, in-workshop polls, questions were provided to all attendees' 	
	 Stakeholders unable to participate were provided online survey to allow participation. 	
Does the port's engagement program give priority to matters that could have a significant impact on port	 1:1 meetings were undertaken prior to workshops to understand current issues and provide the team the opportunity to update the workshop approach to reflect current issues. 	
users?	 Port of Melbourne invited stakeholders to provide feedback on, and nominate, topics that are important or of interest to them at multiple points and through multiple channels, including in the initial notifications about the engagement, in the invites to meetings and workshops, on the website and participation survey, during the 1:1 meetings and workshops, and in the follow-up questionnaire. 	

5.2 Technical topics

The engagement program focussed on understanding how important specific topics are to stakeholders to frame and inform the design of this engagement and the future engagement strategy.

These results were overlayed (refer Figure 5-1) to provide an appreciation of stakeholder interest levels by topic and the current level of communication. Respondents indicated that 10 out of the 12 topics were deemed either *important* or *very important*. While respondents indicated that at the highest level, most stakeholders receive most of the information on these topics from the Port of Melbourne.







Key insights:

- Information requirements of different stakeholders are not generic, and vary by stakeholder type and topic. This feedback is useful to inform the design of Port of Melbourne's current and future stakeholder engagement strategy
- In most cases stakeholders identified all topics as at least important or very important to them.
- The engagement program was well-designed in that the two most important topics were given the most attention and had the largest amount of detailed information made available to stakeholders.
- The topics that stakeholders rated the level of importance to be relatively low include *length of regulatory period*, *deferred depreciation* and *partnerships with community*, while most stakeholders indicated that they received all or some of the information required for these specific topics. Providing Port of Melbourne with an understanding that current levels of engagement are adequate for these topics.

5.2.1 Deferred depreciation

The majority of stakeholders appear comfortable with their current level of understanding of deferred depreciation. This conclusion is supported by comments from workshops and meetings requesting to be kept informed, rather than requiring further information.

From the engagement data, a *government departments or agencies* (from the Tasmanian workshops) specifically requested further information around the topic of deferred depreciation.

There were specific comments relating to suggestions for Port of Melbourne to gather and communicate examples from overseas as well as a strategy for smoothing prices rather than shocks. This is supported by the data indicating that the majority of respondents support a relatively smooth recovery of deferred depreciation, as indicated in Figure 5-2.



Figure 5-2 Respondents view of deferred deprecation from stakeholder workshops

5.2.2 Webb Dock East Berth 4 & 5 Extension

Webb Dock East was identified as a *very important* topic to most stakeholders (Figure 5-1). The materials and collateral designed for this engagement were consistent with this, as it was the topic most heavily represented in the workshop presentation materials with a significant amount of detailed information made available to stakeholders in advance of the 1:1 meetings and workshops, and it was the main focus of a number of 1:1 meetings.

Figure 5-3 shows that overall, the majority of respondents to polling indicated that maintaining competition between stevedores is valuable. This sentiment was expressed during 1:1 stakeholder meetings, with participants suggesting that increased competition between stevedores will produce economic benefits and flow on effects to consumers.

The impacts on Victorian consumers as identified by Shipping Line stakeholders (in particular) were supportive of progressing the project



Figure 5-3 Respondents view on value of competition between stevedores from stakeholder workshops

as soon as possible. This was also supported by comments related to potential impacts of delays and the importance of minimising delays.

5.2.3 Length of the regulatory period

For the topic relating to the length of the regulatory period, approximately 55% of respondents indicated that the length of the regulatory period was either *important* or *very important* to them.

Figure 5-4 displays that overall, respondents to polling did not have a definitive preference concerning the length of regulatory period.

Only three specific stakeholders indicated that they require further information, these stakeholders included *cargo owners*, *'other'* and



Figure 5-4 Respondents view of an extension to the regulatory period from stakeholder workshops

shipping lines. Other respondents indicated that the Port of Melbourne should observe transparency, consistency and stability for investments, trade and flow on-effects to consumers when considering length of regulatory period.

5.2.4 Service standards

The topic of service standards was identified as *important* or *very important* by 80% of all stakeholders. The stakeholder groups requesting further information from Port of Melbourne include cargo owners, industry groups, shipping lines and supply chain and cargo groups.

Figure 5-5 indicates that respondents to polling in workshops do not require a change in current level of reporting on services standards, while some require further information, which is supported by the qualitative data.

The qualitative data also indicated that the service standards are well understood by all stakeholder groups, however data driven businesses were interested in receiving more granular information regarding commodities and trade data sooner.

5.3 Engagement

Questions relating to current and



Figure 5-5 Respondents view on service standards from stakeholder workshops

future engagement approaches were asked of stakeholders across all methods of engagement. The intent of these questions was to gauge the best method and timing of engagement activities for future programs.

5.3.1 Method of engagement

Email and phone were identified as most common current methods of engagement for stakeholders, followed by in-person and briefings, as displayed in Figure 5-6.

When stakeholders were asked how they wanted to engage with the Port of Melbourne in the future, the top four preferences remained the same, however proportions for these changed, indicating that both email and in-person are the preferred methods of engagement followed by briefings and phone communication.

In contrast, social media and LinkedIn appear as future methods of engagement. Providing the opportunities for supplementing information distribution channels in the future, not using these as replacements. How do you engage with Port of Melbourne?



Email | Phone | Briefings | In person | Other | Road show | Social Media | LinkedIn

How do you want to engage with Port of Melbourne?



How often do you want to hear from Port of Melbourne?



5.3.2 Frequency of engagement

Stakeholders were asked both how often they currently communicate with Port of Melbourne, and also how often they would like to hear from the Port of Melbourne on the engagement topics set out in the engagement materials.

The results in Figure 5-7 illustrate that the most common response to how often stakeholders currently communicate with the Port of Melbourne was 'as required' which indicates two aspects, firstly that stakeholders are able to contact the Port of Melbourne if and when the need arises and secondly that the bulk of current communication is not on a specific timeline. For those who responded to the question of how often they would like to hear from the Port of Melbourne on the topics set out in the engagement materials, there was a preference for monthly or quarterly.



How often do you communicate with Port of Melbourne?



5.3.3 Level of involvement

Stakeholders were asked their perceptions of the current level of involvement in key issues, then asked about their desired level of involvement, refer Figure 5-8. The 'level of involvement' was taken from the IAP2 framework, which describes different levels of engagement for the public's role in a community engagement program.

Respondents indicated that they are currently *informed*, *consulted with* or *collaborated with* regarding key issues, while some indicated a desire for more *involvement* or *collaboration* on key issues.

While it is important to recognise the desired engagement level of stakeholders, it should be noted that in many cases it will not be appropriate for Port of Melbourne to collaborate directly with individual stakeholders given many stakeholders have commercial relationships with each other and often directly compete with each other. The Port of Melbourne also has contractual obligations to the Victorian Government to develop the port for the benefit of Victorian consumers and must take care not to put the commercial interests of individual parties operating in and around the port ahead of those obligations.

For the Port of Melbourne, it will be important to assess how the IPA2 framework for participation and the desired level of involvement by stakeholders can be best fitted to the industry and within the context of the Port of Melbourne's obligations to the state and regulatory framework. This assessment should inform the development of the stakeholder engagement program going forward



What is your level of involvement on key issues? What is your desired level of involvement on key issues?

Inform | Consult | Involve | Collaborate | Empower |

Figure 5-8 Current and desired level of involvement from participation survey and follow-up questionnaire responses.

6 RECOMMENDATIONS AND NEXT STEPS

The comprehensive 2021 stakeholder engagement program reached a number of stakeholders across various channels. Key insights were identified and summarised in Section 5.1. From these insights Port of Melbourne could implement these recommendations and identify next steps for how they engage with stakeholders and the topics which require further attention.

6.1 Recommendations

- Port of Melbourne should note that the topics that stakeholders rated to be of relatively high importance include:
 - Webb Dock East
 - Webb Dock Freight Link
 - Big Ships Program.
- Port of Melbourne should note that the topics that stakeholders rated to be of relatively low importance include:
 - length of regulatory period
 - deferred depreciation
 - partnerships with community.
- Respondents were generally positive with their current engagement with the Port of Melbourne. For future engagement, Port of Melbourne could consider arranging more frequent general stakeholder briefing sessions, such as quarterly or monthly.
- Port of Melbourne should consider how the IAP2 framework can be applied to its future engagement program noting the competitive environment and objectives of the Port Management Act. More intensive engagement will require appropriate resources to deliver.

6.2 Next steps

The next steps for Port of Melbourne include:

- Refine and finalise the *Stakeholder Principles*.
- Develop a comprehensive long-term Stakeholder Engagement Framework.
- Implement engagement activities consistent with the Stakeholder Engagement Framework.

Appendix A Engagement activities

A.1 Engagement activity details

Engagement type	Stakeholder	Details	Attendees
1:1 meeting	VICT	31 March 2021	2
1:1 meeting	CMA CGM / ANL	6 April 2021	5
1:1 meeting	Wallenius Wilhelmsen	6 April 2021	2
1:1 meeting	MSC	6 April 2021	1
1:1 meeting	Maersk	7 April 2021	3
1:1 meeting	Toll	7 April 2021	1
1:1 meeting	Cosco	8 April 2021	1
1:1 meeting	OOCL	8 April 2021	2
1:1 meeting	ACCC	8 April 2021	2
Stakeholder workshop	Shipping lines	14 April 2021	6
Stakeholder workshop	Cargo owners and freight forwarders	15 April 2021	7
1:1 meeting	DPWA	15 April 2021	3
Stakeholder workshop	Supply chain participants	15 April 2021	16
Stakeholder workshop	General	20 April 2021	7
1:1 meeting	Shipping Australia Limited	22 April 2021	2
Stakeholder workshop	Tenants	23 April 2021	10
Stakeholder workshop	Workshop – Tasmania (Burnie)	26 April 2021	4
Stakeholder workshop	Workshop – Tasmania (Launceston)	27 April 2021	8
Stakeholder workshop	Workshop – Tasmania (Hobart)	27 April 2021	9
1:1 meeting	Patrick Terminals	28 April 2021	4
Stakeholder workshop	Workshop - Wagga	4 May 2021	16
Stakeholder workshop	Workshop – Leeton	5 May 2021	11



B.1 Questions - 1:1 meeting

Q Ref	Forms Question
F1	Type of stakeholder
F2	Is PoM's treatment of deferred depreciation an important issue for your business?
F3	What principles (other than price stability) should guide PoM's approach to the recovery of deferred depreciation?
F4	Should PoM commit to a specific profile of recovery now, or maintain a flexible approach to avoid unexpected price changes?
F5	Should PoM pursue a front-ended, even or back-ended recovery profile?
F6	How would you like to be consulted further on PoM's decisions around the treatment of deferred depreciation?
F7	What do you see as the competitive consequences of restoring WDE's berth capacity to the original dual berth intent of the Vic Government's Port Capacity Project?
F8	What impacts do you think this will have for Victorian consumers?
F9	[for ESC/ACC/Port Lessor] Given the competitive landscape and consequences, how meaningful do you consider PoM's engagement approach has been (i.e. public consultation on the PDS, confidential col
F10	Is the length of PoM's regulatory period an important issue for your business?
F11	What is your preference for PoM's regulatory period?
F12	What principles should PoM consider in choosing the length of future regulatory periods?
F13	How would you like to be consulted further on PoM's decisions around regulatory period length?
F14	Are PoM's service standards an important issue for your business?
F15	Are there any matters missing from PoM's service standards that it should seek to include in future years?
F16	How could PoM better set service standards that reflect the needs of Port Users?
F17	How would you like to be consulted further on future revisions to service standards?
F18	How do you currently communicate with PoM? - what works well? Why?
F19	How do you currently communicate with PoM? -What doesn't work well? Why?
F20	PoM needs to communicate on a number of issues, what issues are most important to you as a stakeholder?
F21	What level of involvement on key issues or topics do you want in the future with the Port of Melbourne?
F22	What would you like to see in PoM's future engagement?
F23	How do you want to engage with PoM representatives?
F24	Moving forward, how often do you want to hear from PoM on these matters?
F25	Is there anything you currently receive information on, but are not interested in?
F26	Would you be interested in contributing to PoM's stakeholder engagement framework in the future?
F27	Do you have any other feedback or suggestions for Port of Melbourne?

B.2 Questions – Online survey

Q Ref	Survey Question
S1	Describe your relationship with the Port of Melbourne?
S2	How often do you communicate with Port of Melbourne?
S3	Which areas of Port of Melbourne do you communicate with? (select your top 3 choices):
S4	How do you currently engage with Port of Melbourne representatives? (select your top 3 choices):
S5	What is most important to you when being engaged by Port of Melbourne
S6	What level of involvement on key issues or topics do you currently experience with the Port of Melbourne?
S7	What level of involvement on key issues or topics do you want in future with the Port of Melbourne?
S8	What would you like to see in Port of Melbourne's future engagement? (select your top 3 choices):

Q Ref	Survey Question		
S9	How do you want to engage with Port of Melbourne representatives? (select your top 3 choices):		
On the sca	le below, provide an assessment of how important these topics are to your business:		
S10a	Trade updates		
S10b	Capital investment program		
S10c	Prices for prescribed services		
S10d	Length of regulatory period		
S10e	Service standards		
S10f	Deferred depreciation (price path after the end of the TAL period, likely 2037)		
S10g	Partnerships with community		
S10h	Rail project updates (including Port Rail Transformation Project)		
S10i	Webb Dock East Berth 4 & 5 extension		
S10j	Big Ships Program		
S10k	Port Development Strategy		
S10I	Webb Dock Freight Link		
S10O	Other		
On the sca	le below, provide an assessment of how well the Port of Melbourne communicates on the following topics:		
S11a	Trade updates		
S11b	Capital investment program		
S11c	Prices for prescribed services		
S11d	Length of regulatory period		
S11e	Service standards		
S11f	Deferred depreciation (price path after the end of the TAL period, likely 2037)		
S11g	Partnerships with community		
S11h	Rail project updates (including Port Rail Transformation Project)		
S11i	Webb Dock East Berth 4 & 5 extension		
S11j	Big Ships Program		
S11k	Port Development Strategy		
S11I	Webb Dock Freight Link		
S110	Other		
S12	Is there anything you currently receive information on but are not interested in?		
S13	Would you be interested in contributing to Port of Melbourne's stakeholder engagement framework?		
S14	Moving forward, how often do you want to hear from Port of Melbourne on these topics of interest?		
S15	Do you have any other feedback or suggestions for the Port of Melbourne?		

B.3 Questions – workshops

Q Ref	Sli.do Question
D1	Do you agree with PoM's proposal that it should seek to minimise price shocks (pursue price stability) in recovering deferred depreciation?
D2	Should PoM consider adopting a longer regulatory period?
D3	What principles should PoM consider in choosing the length of future regulatory periods?
D4	What is your view on the level of reporting by PoM on service standards?
D5	Are there any matters missing from PoM's service standards that it should seek to include in future years?
D6	Do you value competition between the international container stevedores?

Q Ref	Sli.do Question
D7	What do you see as the competitive consequences of restoring Webb Dock East's berth capacity to the original dual berth intent of the Victorian Government's Port Capacity Project?
D8	What impact do you think restoring Webb Dock East's berth capacity to the original dual berth intent of the Victorian Government's Port Capacity Project will have for Victorian consumers?
D9	What feedback do you have on when PoM should commence construction on the WDE Berth 4 & 5 extension?

B.4 Questions – follow up questionnaire

Q Ref	Follow up questionnaire Question
Q1	Type of stakeholder:
How impor	tant are these topics to your business?
Q2a	Trade updates
Q2b	Capital investment program
Q2c	Prices for prescribed services
Q2d	Length of regulatory period
Q2e	Service standards
Q2f	Deferred depreciation (price path after the end of the TAL period, likely 2037)
Q2g	Partnerships with community
Q2h	Rail project updates (including Port Rail Transformation Project)
Q2i	Webb Dock East Berth 4 & 5 extension
Q2j	Big Ships Program
Q2k	Port Development Strategy
Q2I	Webb Dock Freight Link
Q20	Other
Q3	How often do you communicate with Port of Melbourne?
Q4	Which areas of Port of Melbourne do you communicate with? (select your top 3 choices):
Q5	How do you currently engage with Port of Melbourne representatives? (select your top 3 choices):
How well d	oes the Port of Melbourne communicate on the following topics:
Q6a	Trade updates
Q6b	Capital investment program
Q6c	Prices for prescribed services
Q6d	Length of regulatory period
Q6e	Service standards
Q6f	Deferred depreciation (price path after the end of the TAL period, likely 2037)
Q6g	Partnerships with community
Q6h	Rail project updates (including Port Rail Transformation Project)
Q6i	Webb Dock East Berth 4 & 5 extension
Q6j	Big Ships Program
Q6k	Port Development Strategy
Q6I	Webb Dock Freight Link
Q6O	Other
Q7	What is most important to you when being engaged by Port of Melbourne? (select your top 3 choices):
Q8	What level of involvement on key issues or topics do you currently experience with the Port of Melbourne?
Q9	What level of involvement on key issues or topics do you want in future with the Port of Melbourne?

REPORT

Q Ref	Follow up questionnaire Question
Q10	What would you like to see in Port of Melbourne's future engagement? (select your top 3 choices):
Q11	How do you want to engage with Port of Melbourne representatives? (select your top 3 choices):
Q12	Do you have any further comments on Port of Melbourne's proposed approach to deferred depreciation?
Q13	Do you have any further comments on the length of Port of Melbourne's regulatory period?
Q14	Do you have any further comments on Port of Melbourne's service performance outcomes?
Q15	Do you have any further comments relating to the Webb Dock East Berth 4 & 5 Extension?
Q16	Would you be interested in contributing to Port of Melbourne's stakeholder engagement framework in the future?
Q17	Do you have any feedback or suggestions for Port of Melbourne?