

Central Highlands Water – Outcomes – 2018–2023

In this document, the water business provides a summary report of its actual performance against each of its outcome commitments for the 2019-20 reporting year. The business has given itself a “traffic light” rating (green = met target, red = not met, yellow = close or largely met) for its performance on each measure, outcome and an overall rating. The business has provided its own comments about its performance on each outcome and overall.

Summary table

Outcome	18-19	19-20	20-21	21-22	22-23
1. Better customer experience	Yellow	Red			
2. Safe clean drinking water that tastes great	Green	Green			
3. Reliable and sustainable water and sewer systems	Yellow	Yellow			
4. More efficient water use	Green	Green			
5. Increased value for money	Green	Green			
Overall	Green	Green			

Business comments

We rated our overall performance as green (stated performance achieved) for 2019-20 because the majority of Outcomes were achieved.

We rated 'Better customer experience' as red or 'not met' as the majority of Outputs were either not met or nearly met. It is important to note that we don't believe this result necessarily reflects a reduction in actual customer experience, it is more a result of interrupted service development during the COVID-19 disruption that did not allow us to develop new services as anticipated e.g. SMS/email notification to customers regarding service interruptions.

Further details regarding each Outcome and individual Outputs can be found in the following sections.

With customer tariffs not increasing any greater than CPI during the year (and both the water and wastewater fixed service fees actually reducing), we believe the overall achievement in 2019-20 represents an ongoing value for money proposition for all customers.

Outcome 1: Better customer experience

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Online self-service account access implemented by December 2018	Pass/fail	Target	–	NA	Pass	NA	NA	NA	NA
		Actual	NA	NA	Pass	NA			
b Accounts using e-billing	Number	Target	–	NA	8,028	9,634	11,560	13,872	16,647
		Actual	NA	6,690	11,184	17,778			
c Accounts using direct debit	Number	Target	–	NA	5,116	6,139	7,366	8,840	10,608
		Actual	NA	4,263	4,662	5,106			
d Online two-way, digital communications channels implemented by June 2019	Pass/fail	Target	–	NA	Pass	NA	NA	NA	NA
		Actual	NA	NA	Pass	NA			
e Telephone contacts per year	Number	Target	–	NA	46,744	44,407	42,186	40,076	38,629
		Actual	55,316	49,204	42,635	38,362			
f Website traffic – number of hits users per year. Develop new measure and agreed baseline by 30 June 2019	Number	Target	–	NA	Pass	97,724	117,269	140,723	168,867
		Actual	NA	NA	Pass	94,120			
g Online platform satisfaction – develop new measure and agreed baseline by 30 June 2019	Average score out of 10	Target	–	NA	Pass	6.5	On track	On track	7.2
		Actual	NA	NA	Pass	4.6			

h	Functionality available for customer alerts via SMS or email for planned and unplanned water supply interruptions by December 2018	Pass/fail	Target	–	NA	Pass	NA	NA	NA	NA
			Actual	NA	NA	Pass	NA			
i	Customer interruptions that an SMS/email notification is sent	Percentage	Target	–	NA	NA	60%	70%	80%	90%
			Actual	0	NA	NA	4%			
j	Top three customer priorities identified annually by March	Pass/fail	Target	–	NA	Pass	Pass	Pass	Pass	Pass
			Actual	NA	NA	Pass	Pass			

Overall Outcome 1 performance for 2019-20:



Business comment

We rated the overall performance as red, or 'not met' as the majority of Outputs were either red or orange. In part this was due to a number of new service development initiatives planned for 2019-20 unable to be fully developed due to the disruption caused by the necessary organisational response to the COVID-19 pandemic. Relevant comments as follows:

- 1b Accounts using e-billing surged by 59% from the previous year, well in excess of the target set of 20% p.a. increase. This mirrors the result from the previous year and confirms that customers have embraced our new online account capability which was a major customer expectation.
- 1c Accounts using direct debit increased substantially again by 10% this year, however this was below the ambitious target set of 20% p.a. This result is again thought to be directly related to the increase in e-billing, with customers preferring instead to take direct control of their payment preferences. In line with these results it may be opportune to review this measure.
- 1e Telephone contacts again decreased this year in excess of the 5% p.a. target in line with improved website functionality providing increased online self-service options for customers.

- 1f The new and much-improved website was launched in December 2019 deliberately as a 'minimum viable product' to ensure we could launch it as soon as possible for customer use. This meant it had improved customer focus and functionality but with a number of online forms and features still to be progressively introduced. The measure for website traffic has been correctly changed to 'users' rather than 'hits' to discount staff usage. Despite the improved website being in place for only six months of the reporting year, it was very close to meeting its full-year target in respect of number of users.
- 1g The website customer satisfaction ratings showed a lift in the second half of the year following customer experience with the new website. We expect continual improvements as more online forms and functionality is added during 2020-21.
- 1i Development of the customer notification service was interrupted by the business disruption caused by the COVID-19 pandemic, as we focused on delivering core services, including the integration of a new services provider. Development of this important new service will continue during 2020-21.

Outcome 2: Safe clean drinking water that tastes great

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Number of Safe Drinking Water Act non-compliances (water sampling and audit)	Number	Target	–	NA	0	0	0	0	0
		Actual	3	1	0	0			
b Options for improved water quality of small towns – summary report for priority small towns published by:	Learmonth: July 2018	Target	–	NA	Pass	NA	NA	NA	NA
		Actual	NA	NA	Pass	NA			
	Waubra: February 2019	Target	–	NA	Pass	NA	NA	NA	NA
		Actual	NA	NA	Pass	NA			
	Clunes: November 2019	Target	–	NA	On track	Pass	NA	NA	NA
		Actual	NA	NA	On track	Pass			
c Customer satisfaction with water quality via CHW survey	Average score out of 10	Target	–	NA	On track	On track	On track	On track	7.8
		Actual	7.1	NA	7.5 On track	7.4 On track			
d Water quality complaints	Number	Target	–	NA	152	144	137	130	124
		Actual	160	141	116	83			

Overall Outcome 2 performance for 2019-20:



Business comment

All of the Outputs have been met during the year which helps ensure customers receive and recognise improved quality water.

1d Water quality complaints continue to decrease ahead of the target of a 5% reduction each year

Overall this Outcome was achieved.

Outcome 3: Reliable and sustainable water and sewer systems

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Implement key actions of Ballarat IWMP	Pass/Fail	Target	–	NA	On track	On track	On track	On track	Pass
		Actual	NA	NA	On track	On track			
b Publish Maryborough IWMP by 1 December 2019	Pass/Fail	Target	–	NA	On track	Pass	NA	NA	NA
		Actual	NA	NA	On track	Pass			
c Publish Daylesford IWMP by 1 December 2021	Pass/Fail	Target	–	NA	On track	On track	On track	Pass	NA
		Actual	NA	NA	On track	On track			
d Communicate Long-term Water Security Plan – Produce and publish plan by 1 December annually	Pass/Fail	Target	–	NA	Pass	Pass	Pass	Pass	Pass
		Actual	NA	NA	Pass	Pass			
e Sewer spills inside customer house	Number	Target	–	NA	0	0	0	0	0
		Actual	1	3	2	4			
f Unplanned water supply interruptions restored within 5 hours	Percentage	Target	–	NA	96%	96%	96%	96%	96%
		Actual	95%	94%	92%	95%			
g Sewer supply interruptions restored within 5 hours	Percentage	Target	–	NA	95%	95%	95%	95%	95%

		Actual	93%	98%	97%	97%				
h	Number of customers receiving more than 5 unplanned water supply interruptions in the year	Number	Target	–	NA	0	0	0	0	0
			Actual	0	0	0	0			
i	Number of customers receiving 3 or more sewer supply interruptions in the year	Number	Target	–	NA	3	3	3	3	3
			Actual	3	5	2	0			
j	Greenhouse gas emissions	Tonne CO ₂ e	Target	–	NA	On track	On track	On track	On track	15,505
			Actual	18,336	15,076	17,380 On track	14,976 On track			

Overall Outcome 3 performance for 2019-20:



Business comment

All Outputs were met 100% during the year with the exception of two service related measures:

- 1e Sewer spills inside customer house (four compared to the target of zero). These customers received a significantly increased Guaranteed Service Level rebate of \$750 which is greater than the annual Wastewater Service Fee.
- 1f Unplanned water interruptions restored within 5 hours (95% compared to the target of 96%). This target was largely met and an improvement from last year.

Overall this Outcome was mostly achieved.

Outcome 4: More efficient water use

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Digital Metering program - No of digital meters (replace all meters with digital meters by 2022-23)	Number	Target	–	NA	Targets to be established with project scope				
		Actual	0	NA	On track	On track			
b Average household water consumption	kL	Target	–	NA	On track	On track	On track	On track	145
		Actual	150	157	160 On track	151 On track			
c Non Revenue Water	Percentage	Target	–	11%	On track	On track	On track	On track	9%
		Actual	11%	10.5%	10.4% On track	10.2% On track			
d Rainwater Tank Rebates	Number	Target	–	NA	≥100	≥100	≥100	≥100	≥100
		Actual	0	NA	387	606			

Overall Outcome 4 performance for 2019-20:



Business comment

All Outputs were met or on track during the year. Of note in particular:

- 4a Planning for the rollout of digital meters continues, with the procurement process entering its final stages. Targets for installation are being developed in line with the constraints imposed by the COVID-19 public health restrictions.
- 4b Further developments to facilitate the 'digital' capability of water efficiency include the introduction of a pilot digital weather station. The station lifts data from a number of network sources and utilises it to automatically adjust irrigation systems to anticipated and actual rainfall. This system is under installation at our Kirks Reservoir Park and it is planned to make it accessible to the broader community once commissioned. In addition, a digital app focussed on education has been designed for the youth market. Once launched, it is planned to develop a full app for broader application.
- 4d Over 600 rainwater tanks were installed at residential houses, the vast majority via our new Land Development Manual process which was developed in collaboration with the industry, which results in rainwater tank installations in housing developments of 10 or more lots. For lots under 10, the rebate is applied.

Overall this Outcome was achieved.

Outcome 5: Increased value for money

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a No individual tariff to increase greater than CPI annually	Pass/Fail	Target	–	NA	Pass	Pass	Pass	Pass	Pass
		Actual	NA	NA	Pass	Pass			
b 2018-19 wastewater service fee frozen	Pass/Fail	Target	–	NA	Pass	Pass	Pass	Pass	Pass
		Actual	NA	NA	Pass	NA			
c Customer perception of value for money via CHW survey	Average score out of 10	Target	–	NA	On track	On track	On track	On track	7.6
		Actual	6.9	NA	7.1 On track	6.7			
d Produce and publish community amenity plan by 1 December 2018	Pass/Fail	Target	–	NA	Pass	NA	NA	NA	NA
		Actual	NA	NA	Pass	NA			
e Assist vulnerable customers – develop early intervention strategy and targets by 30 June 2018	Pass/Fail	Target	–	NA	Pass	NA	NA	NA	NA
		Actual	NA	NA	Pass	NA			

Overall Outcome 5 performance for 2019-20:



Business comment

Overall, the Outcome is considered to be achieved with no individual tariff component increasing beyond the CPI (rate of inflation) and a number of improvements being delivered as per the following Outputs:

- 5a Both fixed service fees were reduced in 2019-20. The Water Service Fee was reduced by 2% and the Wastewater Service Fee reduced by 1.3%. The Water Volume Fee increased by the CPI of 1.3%. These changes resulted in the average homeowner's cost reducing marginally by 0.7% over the course of the year which is below the CPI.
- 5b Note the target for the Wastewater Service Fee for years beyond 2018-19 should be NA as the measure only applied to 2018-19. Despite this, the fee is forecast to be reduced by CPI minus 2.6% for the duration of the period.
- 5c The result of 6.7 was from a survey of n=400 customers late in 2019 asked a yes/no question regarding value for money with 67% responding with 'yes'. This question will be reviewed in 2020-21 re a 10-point scale response.
- 5d Community benefits identified in the Community Amenity Plan continued to be delivered during the year, including:
- 'Choose Tap' drinking water fountains have been made available with three new fountains installed within the Moorabool Shire Council, three new fountains within the Central Goldfields Shire and three new fountains with the City of Ballarat Council boundaries, including a fountain at the Learmonth Recreation Reserve.
 - We also strengthened our commitment with the Ballarat Aquatic Centre, providing two drinking water fountains inside their facility as well as an agreement to provide reusable drink bottles at the Centre's cafeteria as part of the 'Choose Tap' water program
- 5e Central Highlands Water assisted 4,565 vulnerable customers during the year, an increase of 67 (or 1.5%) from the previous year, despite the public health restrictions implemented in late March due to the COVID-19 pandemic. Assistance was provided over a range of programs, including payment arrangements, Utility Relief Grant Scheme, Customer Rebate Program, Community Housing Retrofit Program and home visits.

Overall this Outcome was achieved.