

Barwon Water – Outcomes – 2023-2028

In this document, the water business provides a summary report of its actual performance against each of its outcome commitments for the 2023-2024 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	23-24	24-25	25-26	26-27	27-28	Overall for the period to date
1. Safe, Secure, Sustainable Water	Green	Grey	Grey	Grey	Grey	Green
2. Innovative, Reliable Services	Green	Grey	Grey	Grey	Grey	Green
3. Healthier Environment	Green	Grey	Grey	Grey	Grey	Green
4. Trust, Affordability & Value	Green	Grey	Grey	Grey	Grey	Green
Overall, for reporting year	Green	Grey	Grey	Grey	Grey	Green

Business comments

Our Overall performance for the reporting year was strong in 39 out of a total 42 measures. Each of the four Outcomes were assessed as Green. Our Customer Advisory Committee (CAC) and Board supported this assessment and, therefore, our overall **assessment for this outcomes report was Green.**

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In 2023, our members provided valuable feedback that the performance assessment framework (traffic light system) should have more flexibility and alignment with the project status reporting criteria of our Enterprise Portfolio Governance Framework.

Our CAC continues to provide feedback and recommendations on our self-rating and areas for improvement. We met with the CAC in early August 2024 to discuss our performance.

Overall, the CAC members responded that they were 'comfortable' or 'very comfortable' with our performance for 2023-2024. CAC members agreed performance should be green across all four outcomes.

The CAC would like to see more detail on the major projects' performance shared with the committee throughout the year.

In addition to our CAC reviewing our performance, we checked in with key stakeholders and businesses to understand their level of satisfaction and trust with Barwon Water. In 2023-2024, 90% of survey respondents were satisfied with Barwon Water overall, higher than in 2023; and 84% agreed that Barwon Water is a trusted brand, up from 75% in 2023 (our target for 'trust' in the business satisfaction surveys is 70%).

Notable highlights for our 2023-24 performance include:

- WaterSmart program launched to help save water
- Stead Park even greener thanks to Barwon Water, COGG and Viva Energy partnership
- New infrastructure to increase drinking water savings at Deakin University, Waurin Ponds
- Saving water and planting trees with local schools
- Signing an agreement to move towards the roll out of digital meters across Lorne, Apollo Bay and parts of Geelong
- Launching our Moorabool catchment program to support the most flow stressed river in the state
- Hosting a Special film night and precinct walk to honour Reconciliation Week and sharing our RAP with community and stakeholders
- Winning awards for climate innovation and biochar-to-batteries projects
- Continuing to implement our schools education program with a variety of activities including drink bottles for preps, art competitions and partnerships with the Geelong Gallery
- Continuing to progress our Regional Renewable Organics project with intensive community engagement in late 2023.

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Outcome 1: Safe, Secure, Sustainable Water

Output	Unit		22-23	23-24	24-25	25-26	26-27	27-28
a. Percentage of time water restrictions are in place	% of time (days)	Target	-	5%	5%	5%	5%	5%
		Actual	0.3%	0.3%				
b. Volume of water security, cumulative	ML	Target	-	0	50	3,306	3,330	3,330
		Actual	-	19				
c. Customer satisfaction with the overall quality of drinking water, survey respondents answering "Satisfied" or "Extremely Satisfied", Water Services Association of Australia survey every second year	% of customers surveyed	Target	-	85%	-	85%	-	85%
		Actual	90%	89%				
d. Northern and Western Geelong Growth Area Integrated Water Management Plan actions completed	Status	Target	-	On track	On track	On track	Complete	-
		Actual	-	On track				
e. Barwon Water led actions in the Barwon Strategic Directions Statement for the Barwon Regional Integrated Water Management Forum completed	%	Target	-	0%	25%	37%	63%	100%
		Actual	-	60%				
f. New growth precinct (PSPs) or new town structure plans developed in PS2023 informed by an Integrated Water Management plan	%	Target	-	100%	100%	100%	100%	100%
		Actual	-	100%				
g. Volume of water saved through partnering with customers, cumulative	ML	Target	-	200	400	600	800	1,000
		Actual	-	202				
h. Digital meters installed, cumulative	No.	Target	-	300	5,000	8,500	15,000	27,000
		Actual	0	289				

Business comment

Our Outcome 1 performance was strong in all eight measures. Our CAC and Board supported this assessment and therefore our overall **assessment for this outcome is Green**.

The likelihood of water restrictions remains low as per the 2023 Annual Water Outlook forecast [1a].

Positive result of 19ML for volume of water security [1b] and projects are on track to deliver 3,330ML of remaining Water for our Future projects by 30 June 2028.

Customer satisfaction with the overall water quality [1c] was tracked via an external and independent survey, conducted by Water Services Association of Australia (WSAA) every 2 years and the latest available results are from December 2023.

Northern and Western Geelong Growth Area Integrated Water Management Plan actions completed [1d] and continue to progress. Consultants have been engaged to prepare designs for early infrastructure. Land purchase is progressing at a slower rate than expected. Stormwater harvesting options are continuing to be explored with Department of Energy, Environment and Climate Action (DEECA) and City of Greater Geelong (COGG). Timing of growth areas delayed due to the potential presence of the critically engaged earless dragon.

Eight listed Strategic Directions Statement (SDS) projects are progressing at varying rates depending on the nature of the project [1e], most projects are well progressed except for Bellarine Recycled Water (RW) Stage 4.

Asset Planning staff continue to advocate for Integrated Water Management (IWM) plans on all Town Structure Plans, Precinct Plans etc. Recent advocacy and work includes DEECA Geelong Stormwater Volume Assessment, Avalon IWM, Deep Creek and Messmate Road Torquay, and Moorabool Yaluk Rehabilitation [1f].

Volume of water saved through partnering with customers [1g], we received an additional funding from DEECA to extend our WaterSmart business program, data loggers detected leaks at a variety of business & council sites were resolved/repared, we exceeded our School's water efficiency program (SWEP) savings target with 12 new schools signed up to participate, significant leak detection and repair with Colac agricultural customers, successful roll out of the washing machine rebate program, Community Housing Retrofit audits completed all contributing to the strong result.

289 digital meters [1h] installed to date with data connectivity pending. Narrowband Internet of things (NB-IoT) low-power wide-area network procurement activities are underway with meter data connectivity to be completed once connectivity partner is awarded and procurement for remaining meters commencing Q1 FY24/25.

Outcome 2: Innovative, Reliable Services

Output	Unit		22-23	23-24	24-25	25-26	26-27	27-28
a. Customer 'ease of doing business' with us, post interactive survey respondents giving 4 or 5 out of 5	% survey respondents	Target	-	83%	83%	83%	84%	85%
		Actual	79%	89%				
b. Customer 'satisfaction' with us, post interactive survey respondents giving 4 or 5 out of 5	% survey respondents	Target	-	83%	83%	83%	84%	85%
		Actual	-	89%				
c. Ranking in ESC survey for customer satisfaction	Ranking position	Target	-	Top 4	Top 4	Top 4	Top 4	Top 4
		Actual	#1	#1				
d. Barwon Water's unplanned water supply interruptions per 1,000 connections compared to the Victorian industry average, prior year	No. is below Vic average	Target	-	True	True	True	True	True
		Actual	True	True				
e. Number of sewer spills	No. per 100km sewer main	Target	-	<16	<16	<15	<15	<14.4
		Actual	14	13				
f. Water quality complaints	No. per 1,000 customers	Target	-	<2	<2	<2	<2	<2
		Actual	1.2	1.5				
g. Number of non-compliances with Safe Drinking Water Act (water sampling and audit)	No.	Target	-	0	0	0	0	0
		Actual	4	0				
h. Number of non-compliances with EPA Licence conditions	No.	Target	-	0	0	0	0	0
		Actual	0	0				

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i. Research portfolio on emerging contaminants of concern completed	Project status	Target	-	On track	On track	On track	On track	Complete
		Actual	-	On track				
j. Maturity level against the Victorian Protective Data Security Standards	Maturity Level	Target	-	Basic / Core	Basic / Core	Basic / Core	Basic / Core	Basic / Core
		Actual	Basic	Basic / Core				
k. Staff who identify the Barwon Water Group is committed to supporting their health, safety and resilience, annual survey, staff responses of Agree or Strongly Agree	% staff responses	Target	-	78%	82%	86%	90%	94%
		Actual	85%	On track				

Business comment

Our Outcome 2 performance was strong in all eleven measures. Our CAC and Board supported this assessment and therefore our overall **assessment for this outcome is Green.**

89% of customers who interact with us rated the ease of their experience [2a] as very good to excellent in June 2024. This is a strong result, given some softening of the metric later in the year due to delays in leak repair and reinstatements and some resourcing and technology challenges in the Contact Centre, fortunately interventions implemented restored strong performance.

89% of customers who interact with us rated the satisfaction of their experience as very good to excellent [2b] in June 2024. High performing touchpoints across the year have included the meter check and replacement program and the webchat channel. The Voice of the Customer (VOC) program will expand next year to incorporate new customer touchpoints, including field operations.

In the final ESC customer perception survey [2c] with results in this financial year (Sep 23 - May 24), Barwon Water ranked number 1 amongst Victorian water authorities for overall customer satisfaction, this is an increase in ranking from the previous period (May 23 - Feb 24 - #2), however the associated score received (7.3) remained the same.

Unplanned water supply interruptions per 1,000 connections [2d] was 79 compared to the Victorian industry average of 98. The past three years have seen an increased focus on multiple customer interruptions through investment in water mains replacement projects.

Sewer spills per 100km of sewer main [2e] was the lowest rate for the past five years, with continual focus on our Strategy 2030 "Zero Spills" program including increased investment in the sewer main relining program.

All drinking water quality results met Australian Drinking Water Guideline health limits [2g]. No non-compliance incidents with S18 of the Safe Drinking Water Act occurred and the Department of Health did not request a Safe Drinking Water Act audit for 2023-24.

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Non-compliance incidents with Environment Protection Agency (EPA) Licence conditions [2h] was zero. Ongoing implementation of the Licence Monitoring Program including routine monitoring of the discharge limits ensures early detection and management of any current or potential risks.

Emerging contaminants (EC) strategy now complete and EC research plan was drafted with final completion end 2024 calendar year, estimated 70% complete [2i].

Preparation of the Annual Attestation is underway and shows sufficient progress towards the goal [2j]. Alongside we are developing the Cyber Strategy that will inform the roadmap of initiatives that will deliver this goal. Maturity level has increased from Basic to Basic/Core.

Staff who identify the Barwon Water Group is committed to supporting their health, safety and resilience, annual survey, staff responses of Agree or Strongly Agree [2k] is tracked once a year via the People Matters Survey. Results are expected around November 2024 with result from previous year 85%.

Outcome 3: Healthier Environment

Output	Unit		22-23	23-24	24-25	25-26	26-27	27-28
a. Electricity consumption from renewable sources	%	Target	-	43%	100%	100%	100%	100%
		Actual	43%	57%				
b. Delivery of the carbon sequestration program	Project status	Target	-	On track	On track	On track	On track	Complete
		Actual	-	On track				
c. Extra volume of recycled water allocated for productive use, cumulative	ML	Target	-	60	150	345	650	1,000
		Actual	293	40				
d. Feasibility study of large scale alternative water grid	Project status	Target	-	On track	On track	Complete	-	-
		Actual	-	On track				
e. Industrial waste reused or recycled with current technologies	%	Target	-	63%	68%	75%	80%	85%
		Actual	86%	90%				
f. Biosolids re-used	%	Target	-	100%	100%	100%	100%	100%
		Actual	100%	100%				

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g. Design of organic waste facility	Project status	Target	-	On track	Complete			
		Actual	-	On track				
h. Water entitlement returned to the Moorabool River, long-term average equivalent	ML	Target	-	0	0	3,700	3,700	3,700
		Actual	-	0				
i. Investment in catchment & waterway health	\$ 2023-24 million	Target	-	1.6	3.1	4.7	6.2	7.8
		Actual	-	2.6				
j. Stretch Reconciliation Action Plan (RAP) actions delivered	%	Target	-	25%	50%	100%	100%	100%
		Actual	-	35%				
k. Improving staff awareness, who are very confident, in engaging in a culturally respectful way with First Nations People, measured externally through the Reconciliation Australia Reconciliation Action Plan (RAP) Barometer biennially	% staff	Target	-	-	23%	-	30%	-
		Actual	-	-				

Business comment

Our Outcome 3 performance was strong in all but one measure out of a total eleven measures. Our CAC and Board supported this assessment and therefore our overall **assessment for this outcome is Green.**

Electricity consumption from renewable sources [3a] target of 57% achieved. 100% renewable electricity from 1 July 2024 achieved. Renewable electricity supply continues to significantly exceed needs, with surplus renewable energy certificates providing a significant revenue source.

Dewing Creek carbon sequestration project [3b] well underway with an estimated 15% complete. Project plan and Communication & Engagement plan approved, detailed design underway and neighbours are being consulted. Expected planting in Autumn and Spring 2026. Successful in obtaining BushBank grant to support the project. Business Case for targeted location specific purchases of land for carbon sequestration ventures being prepared for August Board meeting.

Class A connections continue to increase which are accounted for in progress against the recycled water allocated for productive use [3c]. Work also progresses on larger opportunities principally at Bellarine, North Geelong and Surf Coast Hinterland. These opportunities are being investigated but are yet to be realised, though we expect one new customer in the Surf Coast Hinterland to sign up to a significant allocation in Q1 FY25. The June 30 2028 target is still expected to be reached.

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Feasibility study of large scale alternative water grid (LSAWG) [3d] is progressing with an estimated 70% complete, is approximately three months behind baseline schedule, but on track for delivering the business case according to the DEECA milestone dates in the funding agreement. The consultant GHD has held two options workshops looking to determine a preferred pathway or stages for the LSAWG. We have received an early draft of the business case.

All of Barwon Waters sludge is sent to Black Rock and then processed into biosolids by Plenary Plant for productive use [3f].

Organic waste facility [3g] Regional Renewable Organics Network (RRON) is an estimated 70% complete with the business case approved in June 2024. Design has been progressed to a stage to enable EPA and DTP planning submissions and a major works contract to be almost finalised. Work will recommence on signing, on limited notice to proceed (LNTP) phase of work (4 months of further design) prior to design & construct phase, the latter being subject to planning approvals. Delivery stage to be undertaken by enterprise project delivery department, transition underway.

Water entitlement returned to the Moorabool River [3h] on track for delivery. Working with key stakeholders to determine conditions in bulk entitlement and scenario 1 modelling complete.

Investment in catchment & waterway health [3i] achieved for 23-24. Stage 2 of the East Barwon Willow Removal Project was completed along with establishment of key project agreements with the CCMA and Moorabool Landcare group to deliver on-ground catchment & waterway health works through the Living Moorabool and Upper Barwon Flagship Projects and Moorabool Catchment Restoration Project. This is in addition to ongoing funding for the CCMA citizen science & river health programs, and Upper Barwon, Southern Otway and Moorabool Landcare groups.

Stretch Reconciliation Action Plan (RAP) actions delivered [3j], NAIDOC and Reconciliation week action commitments delivered. Clear Advice and Strategy engaged to operationalize "Caring for Country" principals. RAP Taskforce reestablishment underway. Wadawurrung Partnership Agreement being renewed through process of workshops. Eastern Maar Relationship building continuing - On Country day planned at West Barwon. Green Links project at Porronggitj Karong beginning. Caring for Country tour staff onboarding restarted with Wadawurrung and Language Protocols nearing completion.

Improving staff awareness, who are very confident, in engaging in a culturally respectful way with First Nations People, measured externally through the Reconciliation Australia Reconciliation Action Plan (RAP) Barometer biennially [3k] is measured every two years, with results next year.

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Outcome 4: Trust, Affordability & Value

Output	Unit		22-23	23-24	24-25	25-26	26-27	27-28
a. Barwon Water annual residential bill based on 200 kL per annum ranked nationally against businesses of a similar size, prior year	Ranking position	Target	-	Top 5	Top 5	Top 5	Top 5	Top 5
		Actual	#5	#8				
b. Proportion of bills customers can pay or are supported to pay, before overdue (final) notices are issued	%	Target	-	94%	94%	94%	95%	96%
		Actual	96%	96%				
c. Business customers who agree or strongly agree that their bill is affordable, annual survey	% survey respondents	Target	-	70%	75%	80%	85%	90%
		Actual	44%	47%				
d. Ranking in ESC survey for value for money	Ranking position	Target	-	Top 4	Top 4	Top 4	Top 4	Top 4
		Actual	#1	#1				
e. Ranking in ESC survey for level of trust	Ranking position	Target	-	Top 4	Top 4	Top 4	Top 4	Top 4
		Actual	#1	#2				
f. Community members who agree or strongly agree that we contribute positively to the region, annual survey	% survey respondents	Target	-	70%	75%	80%	85%	90%
		Actual	-	75%				
g. Key regional stakeholders, major business and industrial customers trust us, online survey	% survey respondents	Target	-	70%	75%	80%	85%	90%
		Actual	75%	84%				
h. Address diversity, equity and inclusion across the workforce: Aboriginal and Torres Strait Islander, people with a disability, cultural and linguistic diversity and gender balance, Barwon Water (BW) and Barwon Asset Solutions (BAS). Minimum targets met	Status	Target	-	True	True	Target to be developed post 30 June 2025 Workplace Gender Audit per Gender Equity Act 2020		
		Actual	-	True				

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i. Total opex on budget (+/- 10% tolerance), cumulative	\$ 2023-24 million	Target	-	146.5	289.0	430.8	572.5	713.1
		Actual	-	154.6				
j. Capital works on budget (+/- 10% tolerance), cumulative	\$ 2023-24 million	Target	-	131.5	263.1	361.2	469.4	588.0
		Actual	129	134.4				
k. Cash interest cover ratio	Ratio	Target	-	≥ 2.5	≥ 2.5	≥ 2.5	≥ 2.5	≥ 2.5
		Actual	3.3	3.0				
l. Dollar benefit from continuous improvement activities, cumulative	\$ 2023-24 million	Target	-	0.9	2.4	3.9	5.5	6.2
		Actual	19	1.8				

Business comment

Our Outcome 4 performance was strong in all but two measures out of a total twelve measures. Our CAC and Board supported this assessment and therefore our overall **assessment for this outcome is Green**.

Out of the current list of 16 businesses with 100,000+ customers annual residential bill based on 200 kL [4a] we are in the middle of the pack. The top 8 corporations are now only separated by \$33. Our customer bills have been steadily decreasing in real terms for more than a decade. Whilst we were able to reduce prices in 2023-24, three corporations (SA Water, SE Water and Icon Water) reduced prices further and moved up the rankings.

Proportion of bills customers can pay or are supported to pay, before overdue (final) notices are issued [4b] end of June results above target as we continue to actively engage with customers in order to establish ways to provide a support mechanism that meets their needs.

Business customers who agree or strongly agree that their bill is affordable [4c] shows customer sentiment related to a lack of flexibility in how we charge and an expectation from customers to be more creative in how we bill services. To better understand the challenges and develop an approach to remedy this, a more strategic approach to account management of key customers is required. This function is currently quite fragmented with different teams across the business having elements of account management responsibility. We will investigate undertaking a co-design program to identify pain points and opportunities. This approach has been successful with business customers who utilise our Land Development and Connections services. Our Buniya project also provides an opportunity to improve 'ease of effort' through digital transformation.

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In the final ESC customer perception survey with results occurring in this financial year (Sep 23 - May 24), Barwon Water maintained its number 1 ranking amongst Victorian water authorities for perception of value for money [4d]. The score received (6.9) was also the same as the result for the previous survey period (Mar 23 - Feb 24). Barwon Water has maintained a number 1 ranking for value for money throughout the financial year, which reflects consistently positive customer sentiment.

In the final ESC customer perception survey with results occurring in this financial year (Sep 23 - May 24), Barwon Water ranked number 2 amongst Victorian water authorities for trust [4e]. This maintains our ranking from the previous period (May 23 - Feb 24 - #2), and the associated score received (7.1) remained the same. Barwon Water has maintained either a #1 or #2 ranking for this metric throughout the financial year, which reflects consistently positive customer sentiment.

Across the quarter, 75% of customers agreed with the statement "BW provides a positive contribution to the community" [4f]. This result is 5% above target, however is slightly down (3%) on the previous result. This metric was introduced on all our primary survey channels in February 24.

84% of business customers and key stakeholders consider Barwon Water to be a trusted brand [4g], QMR research July 2024.

We received a result of 54% through the results of the annual Victorian Public Sector People Matters survey (which allows employees to share information confidentially). We are continuing to make good progress through the Belonging@BW Inclusion Action Plan, which includes diversity targets within our recruitment and talent pipelines. We are hoping to see a lift in our performance next year, with the introduction of a new Inclusion Council and a refresh of our People Strategy. Target to be developed post 30 June 2025 to address diversity, equity and inclusion across the workforce: Aboriginal and Torres Strait Islander, people with a disability, cultural and linguistic diversity and gender balance, Barwon Water (BW) and Barwon Asset Solutions (BAS) [4h].

Total opex on budget [4i] variance is primarily due to higher external resources and BREP (Barwon Renewable Energy Project) derivative costs. This variance is still within 10% tolerance. Note actual results are based on interim BW entity financials, rather than consolidated position which is not yet available and unlikely to have a material impact on results.

Capital works on budget [4j] investment accomplished and result within 10% tolerance.

Cash interest cover ratio [4k], target achieved, although interest payments are lower than planned YTD, the unfavourable variance for net cash from operating activities is due to larger employee and supplier cash payments than planned.

Dollar benefit from continuous improvement activities [4l] we exceeded our target through our Treatment Efficiency Program, BAS Efficiency Initiatives and Network Efficiency Program.

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