

City West 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. Services to my home and business are safe, reliable and efficiently managed	Yellow	Yellow	Grey	Grey	Grey
2. Customer service is accessible and my enquiries are resolved promptly	Green	Green	Grey	Grey	Grey
3. Billing and payment options are efficient and convenient	Green	Green	Grey	Grey	Grey
4. Customers in hardship are supported	Green	Yellow	Grey	Grey	Grey
5. The whole of the water cycle is managed in an environmentally sustainable way	Green	Green	Grey	Grey	Grey
6. CWW is a valued partner in servicing a growing Melbourne	Yellow	Yellow	Grey	Grey	Grey
Overall	Green	Yellow	Grey	Grey	Grey

Business comments

In 2019-20, City West Water welcomed 15,000 new customers to our network bringing our total customer base to 488,000. We delivered 103,000 ML of water, received over 390,000 calls, constructed \$153 million of assets including laying out 266km of main and our crews attended and repaired over 4,700 faults across our network during the last year.

Our operating environment and the actions we take influence the 41 individual indicators that make up our six outcome areas. In 2019-20, our operating environment changed dramatically with COVID-19 which presented challenges for us when coupled with existing high growth in the west and drier conditions.

We consider the health and wellbeing of our people and customers as our highest priority under this new operating environment. We transitioned most of our staff to working remotely from home and established an Incident Management Team (now a 'Control Centre') to coordinate our response to the rapidly evolving pandemic. We have also worked closely with our service delivery partners to ensure safe work practices in the field and at our construction site and continue to deliver our major capital works program for as long as we are able to.

The pandemic has also disrupted the lives of our community, causing financial hardship and negatively impacting on our customer's wellbeing. We have supported our customers by broadening and deepening our hardship offerings beyond our traditional means. To focus our efforts on this, we have set up a dedicated financial hardship and vulnerability team and hotline. We continue to monitor the situation as it evolves and adjust accordingly.

Of our six outcomes areas, we classify three as amber and three as green by RAG status (red, amber, green). Of our 41 individual indicators, 30 were green, 1 were amber and 10 were red.

We have proposed to assign 'amber' status for overall performance on balance. Our self-assessment reflects discussions between the regulatory team, executive and board in weighing each outcome and indicator against its performance.

For 2020-21, we will continue to provide additional hardship and vulnerability support to our customers during the COVID-19 pandemic. We also continue to transform our online and billing capabilities which will improve services to customers. We will also continue to monitor and manage interruptions so more are planned than unplanned, identify high risk water mains (through our Hot Shut Off Block program) and prioritise renewals that will prevent high-order repetitive unplanned interruptions.

Outcome 1: Services to my home and business are safe, reliable and efficiently managed

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Drinking Water Quality – Customer satisfaction score on water quality via CWW Customer Satisfaction Surveys (score of 7 out of 10 or higher)	Percentage	Target	–		91.0%	91.0%	91.0%	91.0%	91.0%
		Actual	92.0%	93.0%	91.5%	92.0%			
b Drinking Water Quality – Number of water quality complaints per 1000 customers	Count/ thousand customers	Target	–		0.7	0.7	0.7	0.7	0.7
		Actual	1.0	0.7	1.17	1.53			
c Number of Safe Drinking Water Act non-compliances (water sampling and audit)	Number	Target	–		0	0	0	0	0
		Actual	0	0	0	0			
d Water and recycled water service reliability – Unplanned water supply interruptions restored within 5 hours	Percentage	Target	–		97.0%	97.0%	97.0%	97.0%	97.0%
		Actual	95.2%	97.0%	97.9%	97.0%			
e Water and recycled water service reliability – Average time taken (from notification) to restore unplanned water supply interruption	Minutes	Target	–		120.0	120.0	120.0	120.0	120.0
		Actual	175.4	119.6	112.7	114.5			
f Water and recycled water service reliability - Planned water supply interruptions restored within 5 hours	Percentage	Target	–		99.0%	99.0%	99.0%	99.0%	99.0%
		Actual	97.0%	96.7%	98.6%	95.9			
g Water and recycled water service reliability – Customers experiencing more than five (i.e. 6+) unplanned water service interruptions in a year	Count	Target	–		0	0	0	0	0
		Actual	0	35	9	0			

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
h Water and recycled water service reliability – Customers experiencing more than three (i.e. 4+) unplanned water service interruptions in a year	Count	Target	–		126	126	126	126	126
		Actual	225	209	246	245			
i Water and recycled water service reliability – Number of low supply pressure events	Count	Target	–		0	0	0	0	0
		Actual	New	New	0	0			
j Sewerage service reliability – Customers experiencing more than three (i.e. 4+) unplanned sewerage service interruptions in a year	Count	Target	–	18	10	6	6	6	6
		Actual	0	1	0	0			
k Sewerage service reliability – Interruptions to sewerage services restored within 5 hours	Percentage	Target	–		98.0%	98.0%	98.0%	98.0%	98.0%
		Actual	96.6%	97.2%	99.7%	99.6%			
l Sewerage service reliability – Average time (from notification) to rectify blockage/spill (main and HCB)	Minutes	Target	–		124	124	124	124	124
		Actual	150	151.9	123	121			
m Sewerage service reliability – Sewer spills contained within 5 hours of notification	Percentage	Target	–		100.0%	100.0%	100.0%	100.0%	100.0%
		Actual	100.0%	100%	100%	100%			
n Sewerage service reliability – Sewer spills within a house, that are a result of a failure in our pipes	Count	Target	–		13	13	13	13	13
		Actual	23	10	8	5			

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
o Sewerage service reliability – Sewer spills within a house, that are a result of a failure in our pipes, not contained within 1 hour of notification	Percentage	Target	–		0	0	0	0	0
		Actual		0	0	0			

Overall outcome 1 performance for the regulatory period so far:



Business comment

We hold ourselves accountable when it comes to providing core water and sewerage services – our core business. We again saw mixed results in relation to our 2019-20 outcomes indicators.

Drinking Water Quality – Number of water quality complaints per 1000 customers

At all times in 2019-20, our water quality was consistently compliant with Australian Drinking Water quality requirements. Historically, we have had relatively lower water quality complaints compared to other water businesses in Victoria.

However, we continued to receive higher than expected number of complaints about water quality (colour, taste and odour). Between late February and May 2019, we received a high number of customer complaints in relation to water discolouration that is supplied from Greenvale Reservoir. When our wholesale provider (Melbourne Water) became aware of the issue, they altered operations to rectify the issue. We continued to see high number of complaints into the first month of 2019-20 due to the sediment deposited into our distribution system from the Greenvale Reservoir.

We are undertaking a detailed investigation to determine what more can be done to reduce water quality complaints including an extensive mains cleaning following the Greenvale issue. We anticipate we will improve and achieve this indicator moving forward.

Customers experiencing more than three (i.e. 4+) unplanned water service interruptions in a year

We fell short of our target in 2019-20 for customers experiencing more than three unplanned water service interruptions. However we have seen greater improvements for customers experiencing a higher order number of repeat failures (more than 5 unplanned interruptions).

In 2019-20, we continuously monitored customers who have experienced unplanned interruptions. Customers who have experienced 3 unplanned interruptions were identified and prioritised by creating a Hot Shut Off Block (HSOB). If conditions of water mains within the HSOB led to a further fourth unplanned interruption, the water main was assessed against a renewal trigger criterion and if justified, a business case was prepared for the renewal of the water mains.

Our guaranteed service level scheme provides these customers with a payment in recognition of the lower level of service they received during the year.

Sewerage service reliability – Customers experiencing more than three (i.e. 4+) unplanned sewerage service interruptions in a year

We have revised our target for going forward. The target has decreased from 10 to 6 to be consistent with the Customer Service Code.

Overall self-rating:

Weighing the above reasons, we consider our performance for Outcome 1 as *amber*. In 2019-20 we largely maintained our performance and reduced the number of customers experiencing more than five unplanned water service interruptions in a year. We consider there is still room for improvement and are focused on improving water supply and managing interruptions through HSOB, so more are planned than unplanned in 2020-21.

Outcome 2: Customer service is accessible and my enquiries are resolved promptly

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Calls resolved on first contact	Percentage	Target	–		75.0%	80.0%	85.0%	90.0%	90.0%
		Actual	New	New	97.2%	96.9%			
b Customer correspondence (emails) responded to within one business day	Percentage	Target	–		95.0%	95.0%	95.0%	95.0%	95.0%
		Actual	New	New	77.8%	99.6%			
c Customer correspondence (emails and mail) responded to within 10 business days	Percentage	Target	–		100.0%	100.0%	100.0%	100.0%	100.0%
		Actual	100%	100%	100%	100.0%			
d Residential customer satisfaction with response to an enquiry via CWW survey (score of 7 out of 10 or higher)	Percentage	Target	–		85.0%	85.0%	85.0%	85.0%	85.0%
		Actual	88.0%	87%	84%	90.0%			
e Non-residential customer satisfaction with response to an enquiry via CWW survey (score of 7 out of 10 or higher)	Percentage	Target	–		85.0%	85.0%	85.0%	85.0%	85.0%
		Actual	78.0%	73%	89%	77%			
f Residential customer satisfaction with response to complaint via CWW survey (score of 7 out of 10 or higher)	Percentage	Target	–		50.0%	50.0%	50.0%	50.0%	50.0%
		Actual	45.0%	56%	36%	53%			
g Non-residential customer satisfaction with response to a complaint via CWW survey (score of 7 out of 10 or higher)	Percentage	Target	–		50.0%	50.0%	50.0%	50.0%	50.0%
		Actual	40.0%	24%	67%	33%			

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
h Complaints investigated by the Energy and Water Ombudsman of Victoria	Count/ thousand customers	Target	–		0.10	0.10	0.10	0.10	0.10
		Actual	0.09	0.06	0.05	0.04			

Overall outcome 2 performance for the regulatory period so far:



Business comment

We strive to provide exceptional customer service and are driven to be accessible and easy to deal with.

We saw mixed results in relation to our 2019-20 indicators for this outcome, with significant improvements on residential customer satisfaction measures whilst falling short in non-residential customer satisfaction performance.

Non-residential customer satisfaction with response to an enquiry or complaint via CWW survey

Non-residential customers were dissatisfied with their enquiries and complaints due to a lack of resolution, time to resolve, lack of empathy and inadequate information provided. We saw a 12 and 24 percent decline in satisfaction with response to an enquiry or a complaint respectively. Customers who indicated they had made a complaint called about supply interruptions, metering problems, billing concerns and charges.

We note that the declines are indicative, rather than statistically significant due to the small sample size (less than 20). Nonetheless, we continue to strive to provide better customer service for our non-residential customers, in line with customer expectations set in our price submission.

In 2020-21, we are developing specific non-residential service offerings that focus on faster resolution to ensure higher levels of satisfaction among non-residential customers. We plan to roll out electronic contract management for trade waste customers, expand our Customer Experience Quality program for trade waste customers, rollout e-billing to non-residential customers and provide tailored hardship and support for businesses during COVID-19.

Overall self-rating:

For the above reasons, we consider our overall performance for Outcome 2 was *green*. In 2019-20 we improved our services to our residential customers considerably. Although we fell short in non-residential customer satisfaction, we are on track to deliver initiatives in 2020-21 that will provide greater customer service on matters that are important to our non-residential customers.

Outcome 3: Billing and payment options are efficient and convenient

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Payment issue complaints	Count/ thousand customers	Target	–		1.20	1.20	1.20	1.20	1.20
		Actual	0.92	1.29	0.97	1.18			
b Estimated meter reads used for billing (of total reads)	Percentage	Target	–		≤3%	≤2%	≤2%	≤2%	≤2%
		Actual	4.5%	2.1%	2.05%	1.85%			
c Customers with registered online accounts (of all accounts)	Percentage	Target	–		0.0%	10.0%	20.0%	25.0%	30.0%
		Actual	New	New	NA	3.6%			

Overall outcome 3 performance for the regulatory period so far:



Business comment

Our customers expect timely and accurate bills. Our indicators were mostly within target for 2019-20. We continue to progress our projects to provide online accounts to customers in 2020-21 and monitor our new uncertain COVID-19 operating environment to ensure both our staff and customers are safe and supported.

Customers with registered online accounts (of all accounts)

In 2019-20, we engaged with customers to better understand their billing and payments needs and introduced MyAccount a new online portal where customers can more easily store and access bills, and complete payments. As MyAccount only became generally available to customers in May 2020, the late start resulted in fewer customers with online accounts than planned. This figure will increase substantially in 2020-21 as the promotion of MyAccount ramps up.

Overall self-rating:

Although we fell short of the number of customers with registered online accounts, it only became available for opt-in for customers in May 2020. We anticipate this figure will increase substantially in 2020-21. Upon weighing this and meeting our other indicators, we consider our overall Outcome 3 performance was *green*.

Outcome 4: Customers in hardship are supported

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Anticipated customers on instalment plans at the end of reporting period	Count/ thousand customers	Target	–		138	40	40	40	40
		Actual	137	143	137	50.6			
b Anticipated residential customers receiving hardship grants	Count/ thousand customers	Target	–		1.2	1.2	1.2	1.2	1.2
		Actual	1.2	1.1	1.4	0.48			
c Customers taking up Water Assist to improve their water efficiency	Count	Target	–		200	200	200	200	200
		Actual	New	New	208	105			
d Prior to restriction being applied, CWW has undertaken reasonable endeavours to ensure customer is not in hardship	Percentage	Target	–		100%	100%	100%	100%	100%
		Actual	100%	100%	100%	100%			

Overall outcome 4 performance for the regulatory period so far:



Business comment

We recognise the essential nature of the services and the importance of providing options and assistance to those customers who are financially vulnerable or are in financial hardship.

The pandemic has disrupted lives, causing financial hardship and negatively impacting on people's wellbeing across our service area. To help our customers to meet these challenging economic conditions, we have launched a new hardship and vulnerability program. This new program includes a dedicated team and hotline in providing tailored options to customers in hardship and an additional range of support for customers who may be finding themselves for the first time in financial hardship.

For instance, in addition to our usual support for customers, we have suspended all legal actions, debt collections and removed water restrictors. We're also offering payment extensions of up to three months, providing case management for longer term debt relief and providing referrals to financial counsellors. For the first time, we have also extended payment plans to businesses and we're deferring trade waste charges.

Many customers who may have otherwise applied for hardship grants or Water Assist applications have instead received other forms of assistance such as instalment plans and payment extensions through the tailored approach by this new team.

Although the amount of hardship grants awarded fell in 2019-20, we saw a 30 per cent increase in successful Utility Relief Grant applications and almost 50 percent increase in the total value of grants paid to customers compared to 2018-19. The Utility Relief Grant Scheme (provided by DHHS) is an effective approach for customers in hardship. In addition, in recent months, social distancing requirements have also limited our ability to offer audits as part of Water Assist (a residential water efficiency audit, appliance retrofit and advice program) which meant we were not able to meet our target.

We anticipate there will be a greater need for support for our customers in 2020-21. We will continue to provide support through our new dedicated team and anticipate greater uptake in hardship grants and instalment plans as short-term options such as the Utility Relief Grant Scheme and payment extensions become less viable for customers who are finding themselves continuously in financial hardship.

Anticipated customers on instalment plans at the end of reporting period

We have also revised our target for going forward. With the latest performance report definition of instalment plans explicitly excluding direct debits, we have updated the target for the remainder of the regulatory period to reflect this.

Overall self-rating:

Upon weighing our indicator performance, the uncertain COVID-19 operating environment and the additional efforts not captured by these indicators, we consider our performance for Outcome 4 to be '*amber*'.

Outcome 5: The whole of the water cycle is managed in an environmentally sustainable way

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Future water resources – Water lost from the network (of total water supplied)	Percentage	Target	–		9.3%	9.3%	9.3%	9.3%	9.3%
		Actual	9.3%	11.2%	8.3%	6.7%			
b Future water resources – Water storage levels remain (in November) as per the water outlook zones in our Urban Water Strategy	Percentage	Target	–		≥40%	≥40%	≥40%	≥40%	≥40%
		Actual	69.7%	63.6%	62.9%	63.8%			
c Safe treatment & disposal of sewage – Emergency relief structures compliant with requirement to not spill in dry weather	Percentage	Target	–		100.0%	100.0%	100.0%	100.0%	100.0%
		Actual	100.0%	100.0%	100.0%	100.0%			
d Safe treatment & disposal of sewage – Compliance with the Environmental Protection Authority's discharge licence requirements - Number of licence non-compliances	Count	Target	–		0	0	0	0	0
		Actual	0	0	0	0			
e Climate change – Net-zero emissions by 2030: Greenhouse gas reductions (from 12,401 tonnes CO ₂ e)	Percentage	Target	–		0.0%	5.0%	5.0%	60.0%	70.0%
		Actual	0.0%	0.0%	NA	0.0%			
f Liveability – Stormwater partnerships in place	Count	Target	–		7	7	8	8	9
		Actual	6	6	7	13			

Overall outcome 5 performance for the regulatory period so far:



Business comment

In preparation for our 2018 Price Submission, our customers told us they wanted to see us manage our water resources responsibly for the benefit of current and future generations.

This includes local measures such as stormwater harvesting and water education as well as central system interventions such as ordering water from the Victorian Desalination Project. We manage the wastewater system to avoid spills and to recycle effluent for productive uses in line with our customers' expectations.

We consistently saw positive progress on our indicators supporting this outcome area during 2019-20. We funded stormwater harvesting projects through round 1 of the Stormwater Harvesting Partnering Fund (Balmoral Park, Arndell Park, Edinburgh Gardens, Woodlands Park, Laverton Baseball Centre). For 2020-21, we are well ahead of round 2 of the Stormwater Harvesting Partnership Fund. We are also working to increase green spaces in Melbourne's west through Greening the West Strategy 2020-25, developed with local partners this year. We anticipate we will continue to meet our indicators in 2020-21.

The share of water lost from our network appears to have declined significantly. We consider this result provisional as the replacement of bulk water meters during the year may have affected its reliability. Investigations are underway to test the reliability of these estimates.

Climate change – Net-zero emissions by 2030: Greenhouse gas reductions (from 12,401 tonnes CO₂e)

We did not meet our emission targets for 2019-20. However, we are still on track to deliver significant savings in 2020-21 and to meet our goal of zero net emissions by 2030. As a business, we are determined to invest in long-term cost-effective solutions rather than through short-term means, such as purchasing offsets. This is reflected in a reduction in CO₂ equivalent emissions (excluding offsets) since 2018-19 which resulted in less need to purchase offsets.

We anticipate delivering on the 2020-21 targets through the construction of several renewable energy generation assets and the Purchasing Power Agreement starting commercial operation in October 2020 after delays in connecting to the grid.

Overall self-rating:

We consider our overall Outcome 5 performance was *green*.

Outcome 6: CWW is a valued partner in servicing a growing Melbourne

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Standard plumbing applications completed on time (within 10 business days, from 2020-21 five business days)	Percentage	Target	–		≥95%	≥95%	≥95%	≥95%	≥95%
		Actual	New	New	73.4%	50.2%			
b Pressure and flow information applications processed on time (within 10 business days, from 2020-21 five business days)	Percentage	Target	–		≥95%	≥95%	≥95%	≥95%	≥95%
		Actual	New	New	98.6%	99.3%			
c Asset information applications processed on time (within 10 business days, from 2020-21 two business days)	Percentage	Target	–		≥95%	≥95%	≥95%	≥95%	≥95%
		Actual	New	New	90.6%	74.5%			
d Standard new customer contribution applications processed within 45 business days	Percentage	Target	–		≥95%	≥95%	≥95%	≥95%	≥95%
		Actual	New	New	79.9%	98.5%			
e Standard 20mm new meter supply and assembly installed within 10 business days of CWW consent	Percentage	Target	–		≥95%	≥95%	≥95%	≥95%	≥95%
		Actual	New	New	95.9%	95.9%			

Overall outcome 6 performance for the regulatory period so far:



Business comment

Similar to our performance in 2018-19, we continue to see unprecedented rates of urban development and construction activity across our service area, specifically across the west of Melbourne. We saw approximately 15,000 new residential and non-residential customers in 2019-20, 1000 more than 2018-19.

This presented challenges for us in processing applications with volumes tending to be lumpy across the year, with significant peaks around Christmas and at the end of the financial year.

We have sought to simplify internal processes, address technology constraints and trained additional staff to provide 'surge capacity' during peak periods. These efforts have already resulted in improved processing times for asset information applications, where we have been consistently meeting our targets in the last quarter of 2019-20. We expect these endeavours to allow us to improve our performance on these indicators in 2020-21.

Overall self-rating:

We are experiencing higher than expected growth across the west yet also relatively maintained our performance in serving our growing community. On balance, we consider our overall Outcome 6 performance was *amber*.