



# Water Performance Report 2020–21

Performance of Victorian urban and sewerage businesses

8 February 2022



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## From the chairperson



2020–21 has been another challenging year, with lockdowns at multiple times and locations across Victoria to limit the spread of coronavirus.

Our primary focus as a regulator is to promote the long-term interests of Victorians. We continued to work closely with water businesses to ensure water customers are supported, especially during these tough times.

Throughout the pandemic, we regularly engaged with our stakeholders to understand the experience of Victorian customers. We did this through:

- hosting leaders from the community and the water sector at roundtable events
- conducting regular interviews with water businesses
- collecting weekly data from water businesses to monitor the support provided to customers affected by the pandemic.

Our engagement with the sector and our performance monitoring revealed that water businesses have continued their efforts to support customers this year as they did the year before. Water businesses have continued to provide access to a range of support services. This includes support services to small business customers affected by the pandemic.

Our quarterly customer surveys revealed that customer trust in the water sector continued to improve. The latest results showed trust at an all-time high. This improvement is a testament to the sector's ongoing efforts to support customers while also providing reliable water and sewerage services.

We are confident water businesses will continue to successfully manage the challenges ahead, as they have done so far.

And we will continue to work with the water sector to ensure customers are receiving the support they need.

**Kate Symons**

Chairperson



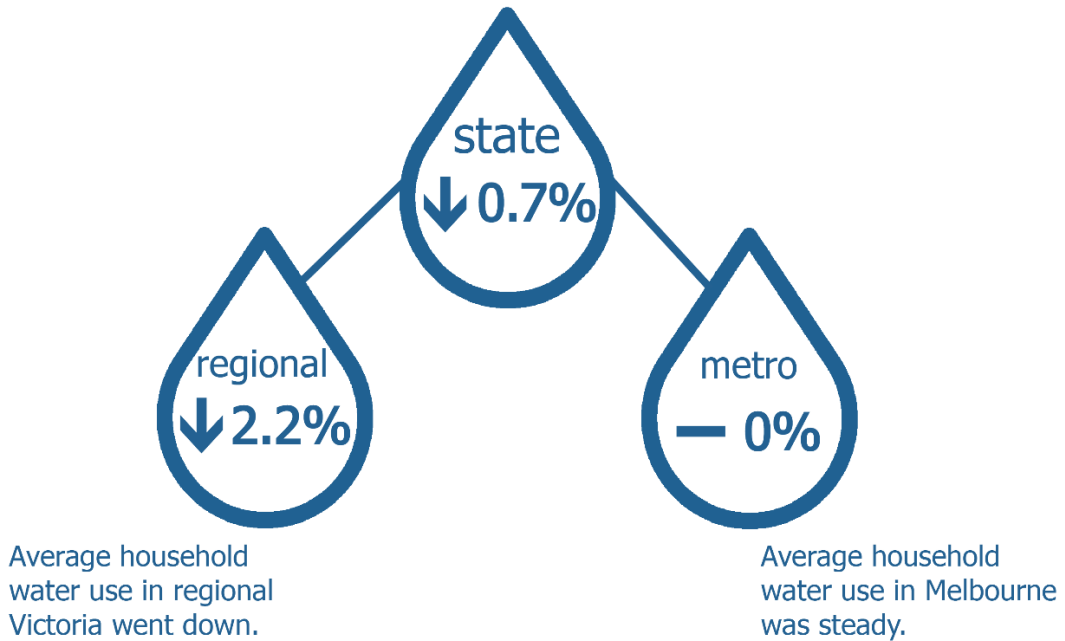
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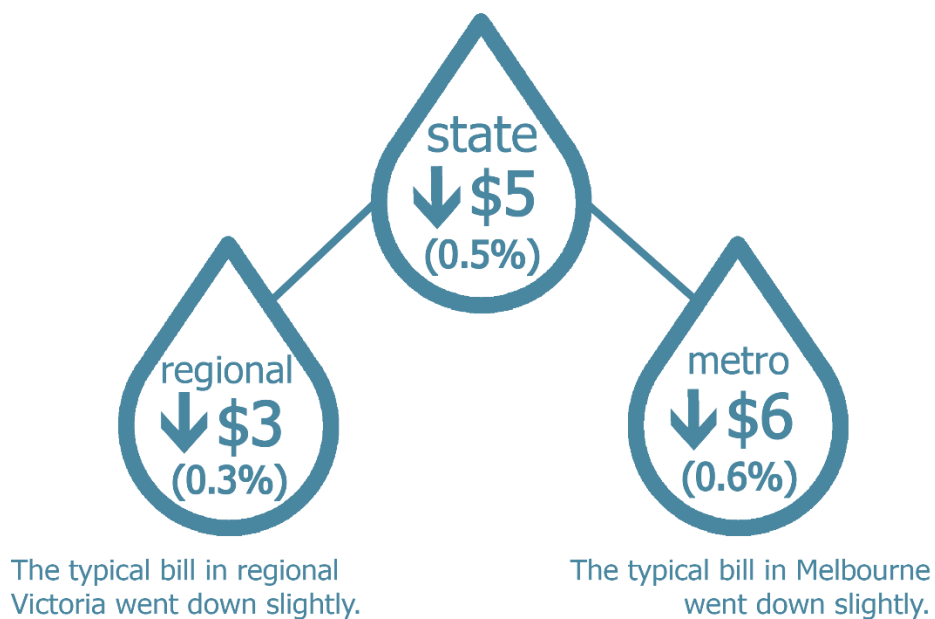


# Key changes from 2019–20 to 2020–21

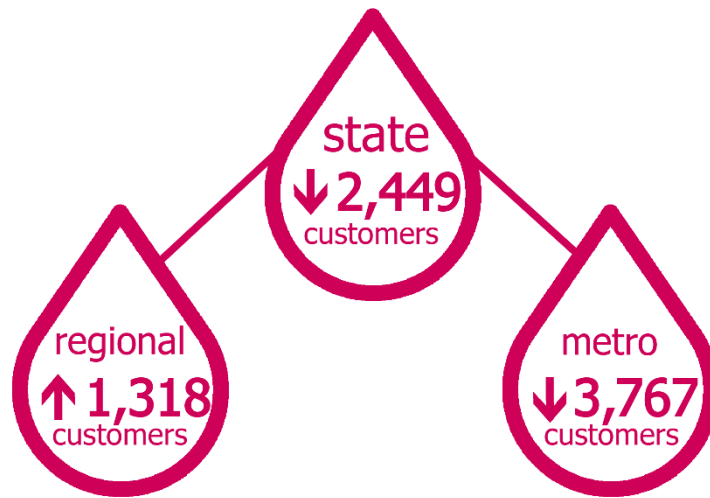
## Victorians used about the same amount of water



## Overall bills went down slightly across the state, reflecting decreases in both metropolitan and regional owner occupier bills



## Fewer Melbourne customers but more regional customers received hardship grants from their water business to help pay their water bill



A total of 6,169 regional customers received hardship grants.

A total of 9,163 Melbourne customers received hardship grants.

## No customers had their water restricted or had legal action taken against them for overdue water bills



In 2020–21 there were no new restrictions, compared to 2,689 new restrictions in 2019–20.



In 2020–21 no legal action was taken, compared to 98 in 2019–20.



# What we found in 2020–21

Victoria's 16 urban water businesses operate across a range of geographic, environmental and social conditions. We report on the Victorian urban water sector's performance, both as a whole and as individual businesses.

In this report we compare each water business on customer bills, household water use, and other key service measures.

This report is one of the ways we report on the water sector and should be read in conjunction with our other water sector reporting:

- water business outcome reports <https://www.esc.vic.gov.au/outcomes-reporting>
- quarterly customer survey reporting <https://www.esc.vic.gov.au/how-customers-rate-their-water-business>
- monthly reporting on water customer support during the pandemic [www.esc.vic.gov.au/water-customer-support-during-coronavirus-pandemic](http://www.esc.vic.gov.au/water-customer-support-during-coronavirus-pandemic).

## **Water business outcomes reports**

Our outcomes reporting intends to drive improvements that ensure better outcomes for water customers. It is tailored to the commitments each water business makes under our outcomes reporting framework.

## **Quarterly customer survey reporting**

Our quarterly customer survey reporting measures customer satisfaction in four areas: value for money, reputation in the community, level of trust and overall satisfaction.

## **Monthly reporting on water customer support during the pandemic**

Our monthly reporting on water customer support during the pandemic provides updates on the number of water customers receiving or applying for various forms of support from their water business. These reports show water businesses are providing greater access to support services, which have been extended to include access to small business customers.

## **Businesses continued to support customers during the pandemic**

In 2020–21, businesses continued the customer support approaches they introduced in response to the 2019–20 summer bushfires and the coronavirus pandemic.

A number of performance indicators reflect these approaches. For example, more customers received the utility relief grant and had concessions applied to their water account to help pay down their water bills.

Water businesses suspended debt recovery action at the onset of the pandemic. This continued throughout 2020-21 with no customers having their water supply restricted or facing legal action for an overdue water bill. The suspension of debt recovery actions is consistent with the national support principles in our customer service codes which provides guidance on customer support during the pandemic.

### **We updated our water customer service codes in August 2020**

In August 2020, we also amended our water customer service codes to include national support principles for customers facing hardship because of the pandemic. Read more about our code amendment at [www.esc.vic.gov.au/adopting-national-coronavirus-support-principles-water-codes-2020](http://www.esc.vic.gov.au/adopting-national-coronavirus-support-principles-water-codes-2020).

## **The typical Victorian residential water customer**

In 2020–21, a typical Victorian residential water customer:

- **used slightly less water.** Average household water use statewide was down by 1 kilolitre to 156 kilolitres. This coincides with a wetter than average summer but a drier than average autumn in most parts of the state.<sup>1</sup> See Section 1.2 for more information about average household water use.
- **received similar bills to the previous year.** The typical bill fell slightly for owner occupiers in Melbourne by \$6 to \$997. Regional owner occupiers also saw a slight decrease in their typical bill by \$3 to \$1,114. Goulburn Valley Water’s customers received the lowest typical household owner-occupier bill (\$888). GWMWater customers received the highest typical owner-occupier bill (\$1,346). See Section 1.3 for more information on typical bills.
- **received support if experiencing payment difficulties.** Increased efforts to support customers during the coronavirus continued this year, providing customers with access to a range of water business and Victorian Government support programs. Significantly more customers received the Victorian Government Utility Relief Grant and had concession applied to their water accounts. See Sections 1.6 and 1.7 for more information about grant assistance.

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<sup>1</sup> “Victoria in summer 2020-21: wetter and cooler than average”, Bureau of Meteorology (2021). Available at: <http://www.bom.gov.au/climate/current/season/vic/archive/202102.summary.shtml>, accessed 15 November 2021.

“Victoria in autumn 2021: below average rainfall; coolest nights since 2015”, Bureau of Meteorology (2021). Available at: <http://www.bom.gov.au/climate/current/season/vic/archive/202105.summary.shtml>, accessed 15 November 2021.

- **customer trust in the water sector continues to rise.** Our customer surveys revealed customer perception of water businesses continued to improve and trust in water businesses is at an all-time high (discussed in Section 2.2). The Victorian water sector score in a benchmarking study for its customer service remained steady compared to the previous year indicating that customers received a similar level of customer service despite interruptions due to the pandemic (see Section 2.3).
- **had fewer water supply interruptions.** Sewer network reliability also improved with a decline in blockages and spills. See Chapter 3 for more information about water and sewer network reliability.
- **did not have their water restricted or face legal action for overdue debt.** Water businesses have suspended debt recovery action during the pandemic. As a result, there were no new water supply restrictions put in place or legal action taken for customers that hadn't paid their bill. See Section 1.8 for more information on water supply restrictions and legal action for overdue debt.

Overall, Victoria's 2.9 million urban water customers continued to receive good service from their water businesses, despite disruptions and challenges caused by the pandemic, as indicated by rising ratings in our customer surveys. However, as we noted in our 2020–21 outcomes report published in October 2021, with the high number of major projects that are delayed or deferred, businesses may need to carefully manage their value proposition to ensure customers continue to receive good value for money.



# Why we report on performance

## Why performance reporting is important

This report covers specific key performance indicators of the 16 Victorian urban water businesses over a five-year period with attention given to their performance in 2020–21.<sup>2</sup>

2020–21 was the last year City West Water and Western Water operated as individual corporations. These water businesses merged as of 1 July 2021 to form Greater Western Water. However, in this year's report we have continued to report City West Water and Western Water separately, reflecting the separate operation in 2020–21. Next year's report will present the first year's performance of the combined Greater Western Water business.

For each business we compare these indicators against:

- other businesses
- its own performance over time.

Rural water businesses are excluded from this report as well as the rural activities of GMMWater and Lower Murray Water, which provide both urban and rural services.

Figure A shows the 16 urban water business boundaries and Melbourne Water.

The main purposes for reporting on performance are to:

- help guide discussions between water businesses and their customers about outcomes to be delivered and performance targets
- drive competition between water businesses to improve service standards
- inform the decision-making processes of water businesses, regulatory agencies and the Victorian Government.

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<sup>2</sup> Clause 18 of the Water Industry Regulatory Order 2014 requires us to monitor and report publicly on water sector performance.

**Figure A: Victorian urban water businesses in 2020–21**

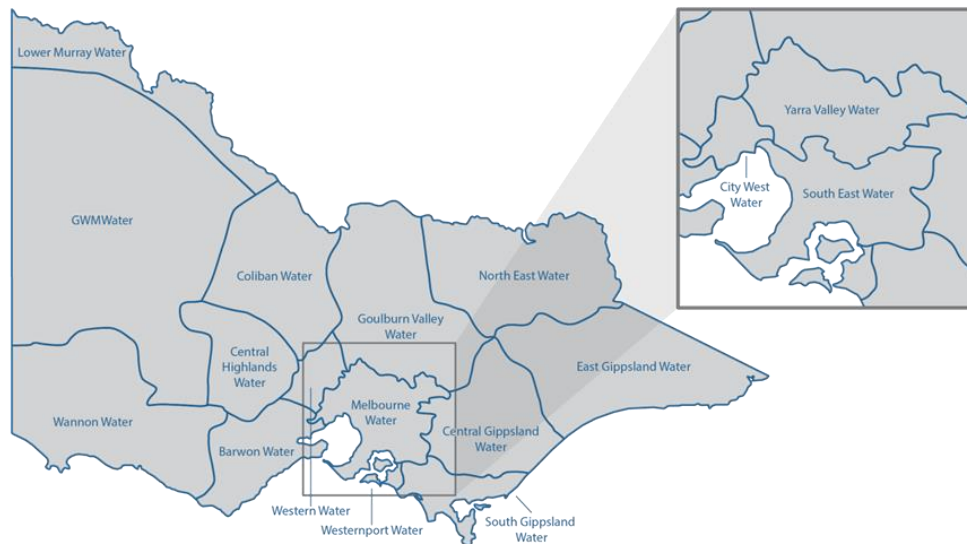


Table A shows the number of urban water and sewerage customers that each of the water businesses serviced in 2020–21, as well as the total numbers of customers in Melbourne, regional Victoria and statewide. Despite a 0.7 per cent population decline in Victoria in 2020–21, there were 63,439 more water customer connections, about a 2 per cent increase compared to the previous year.<sup>3</sup>

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<sup>3</sup> “National, state and territory population: Statistics about the population and components of change (births, deaths, migration) for Australia and its states and territories”, Australian Bureau of Statistics (2021). Available at: <https://www.abs.gov.au/statistics/people/population/national-state-and-territory-population/latest-release>, accessed 12 January 2022.

**Table A Urban and sewerage customers in 2020–21**

	All water customers	Residential water customers	Non-residential water customers	Sewerage customers
City West	505,016	462,377	42,639	501,548
South East	803,106	741,712	61,394	777,355
Yarra Valley	856,092	796,883	59,209	798,701
Barwon	170,759	157,932	12,827	155,238
Central Highlands	74,388	68,576	5,812	64,217
Coliban	79,083	72,020	7,063	72,033
East Gippsland	24,859	21,915	2,944	20,572
Gippsland	73,641	67,570	6,071	66,195
Goulburn Valley	61,297	54,823	6,474	54,114
GWMWater	32,202	27,502	4,700	26,290
Lower Murray	34,784	30,880	3,904	30,315
North East	53,791	49,075	4,716	49,074
South Gippsland	21,311	18,130	3,181	18,867
Wannon	44,048	37,606	6,442	37,732
Western	77,165	73,609	3,556	71,081
Westernport	17,652	16,543	1,109	16,269
<b>Metro total</b>	<b>2,164,214</b>	<b>2,000,972</b>	<b>163,242</b>	<b>2,077,604</b>
<b>Regional total</b>	<b>764,980</b>	<b>696,181</b>	<b>68,799</b>	<b>681,997</b>
<b>Statewide total</b>	<b>2,929,194</b>	<b>2,697,153</b>	<b>232,041</b>	<b>2,759,601</b>

## Our pricing framework

In 2016, we released our pricing framework (PREMO) for the Victorian water sector, which puts customers squarely at the centre of water businesses' considerations. We challenged businesses to better engage with their customers to understand what they value most and prepare price submissions which take these views into account.

The PREMO framework provides incentives for water businesses to provide greater value to customers and holds them accountable for delivering on their commitments. This year marks the third reporting year under the PREMO framework, and the second last before businesses are assessed on their PREMO commitments in the 2023 water price review. As part of the 2018 water price review, water businesses established clear outcomes and performance targets, and have self-reported their achievements and the value they have delivered to their customers. We collated these self-reports into an annual outcomes report. The outcomes report for 2020–21 can be accessed on our website at [www.esc.vic.gov.au/water-outcomes-reporting](http://www.esc.vic.gov.au/water-outcomes-reporting). Businesses will be assessed on the performance of these targets in the upcoming 2023 water price review, which will begin in 2022 and determine the prices water corporations can charge beginning 1 July 2023.

Because of this new line of reporting by the water businesses themselves, our performance reporting has changed and will continue to evolve as we monitor how the sector responds. For example, our performance reporting no longer includes the chapter on water businesses' major capital projects. Instead this has been included in our outcomes reporting because we considered that major projects are closely aligned to businesses' commitments to their customers.

Businesses may use our performance reporting to guide discussions with their customers about service priorities and performance targets. Our performance report can also be used to inform our assessment of the businesses' self-reporting to customers about their own performance.

## Our regulatory functions

We are the economic regulator of the Victorian water sector. One of our regulatory functions is to monitor and to report publicly on the performance of the Victorian Government-owned water businesses.

We are also responsible for regulating service standards and conditions of supply. However, we do not regulate or drive performance in the areas of water conservation, the environment and water quality, although some of these areas are covered in our report.

Other bodies with a role in the state's water services are:

- the Environment Protection Authority Victoria, which is responsible for regulating environmental standards
- the Department of Environment, Land, Water and Planning, which is responsible for water conservation measures

Why we report on performance



- the Department of Health, which is responsible for drinking water quality standards.

## The data used in this report

This report is based on:

- performance data reported by the businesses against key performance indicators specified by us, and comments from the businesses explaining their performance
- findings from independent regulatory audits on the reliability of the performance data reported by the businesses. Where data has not passed the audit requirements, it has been excluded from this report or qualified in our discussion.

### 2019–20 data in this report has now been audited






Normally the data businesses provide us is independently audited, however for our 2019–20 reporting, we removed this requirement to lower the regulatory burden placed on businesses, allowing them to focus more closely on supporting customers during the pandemic.

We resumed our audit program in 2021 which included an audit of 2019–20 data. As a result, some performance indicators for 2019–20 may vary from our 2019–20 performance report.

## Data snapshots

We use snapshots alongside some indicators to highlight changes made at metropolitan Melbourne and regional Victoria level, and the statewide trends. Depending on the indicator, an increase could be an improvement or a deterioration in performance.

### Snapshot symbol definitions

				
5%+ increase	0–5% increase	Steady	0–5% decrease	5%+ decrease

## Access all of our 2020–21 water performance resources

Find all of our 2020–21 performance information at <https://www.esc.vic.gov.au/water-performance-reports>, including:

- this report comparing the performance of the 16 urban water businesses
- water business profiles that provide a snapshot of each business's performance
- a summary of the data behind our tables and charts in this report.

Why we report on performance



# 1. How much households use and pay for water

This chapter looks at the average water use of households and typical bills at the average water usage level across Victoria.

The bill estimates in this chapter reflect prices charged by water businesses in the year from 1 July 2020 to 30 June 2021.

We also discuss how some customers are paying their bills. Government support and water business assistance programs are available where customers are experiencing payment difficulties. If bills remain unpaid, customers may face water supply restrictions or legal action.

## 1.1. 2020-21 at a glance

Annual average household water use decreased slightly by 1 kilolitre to 156 kilolitres. This coincides with close to average rainfall overall this year.

The statewide typical annual bill for both owner occupiers and tenants remained relatively steady compared to the previous year. The statewide typical bill for owner occupiers decreased by about \$5 to \$1,028 and for tenants remained unchanged at \$452.

More customers received grant assistance from the Victorian Government to help with one-off bill payments.

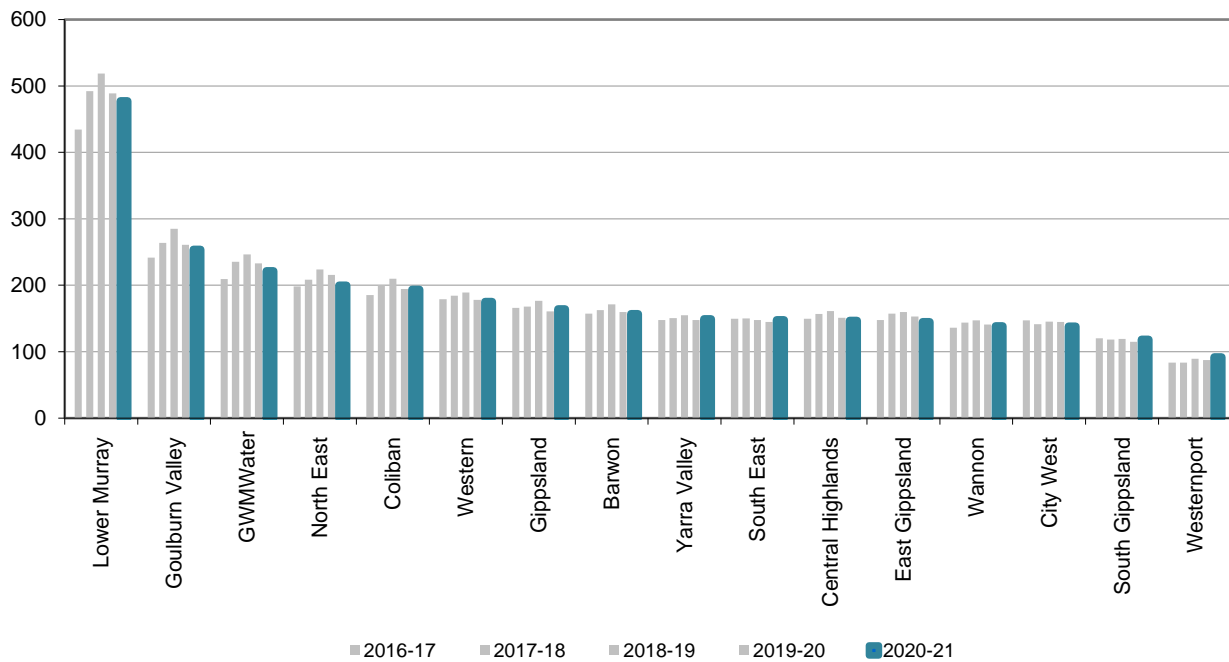
Compared to the previous year, water businesses awarded fewer hardship grants to customers and the average value of grants decreased by \$165 to \$367.

Due to a suspension on debt recovery actions during the pandemic, there were no new water supply restrictions or legal action taken for non-payment of bills.

## 1.2. Average household water use

Water use varies around the state due to different climates, household demographics, property sizes, and any water restrictions that may be in place. Figure 1.1 shows the average annual household water use across the last five years, measured in kilolitres.

**Figure 1.1 Average household use (kilolitres per household)**



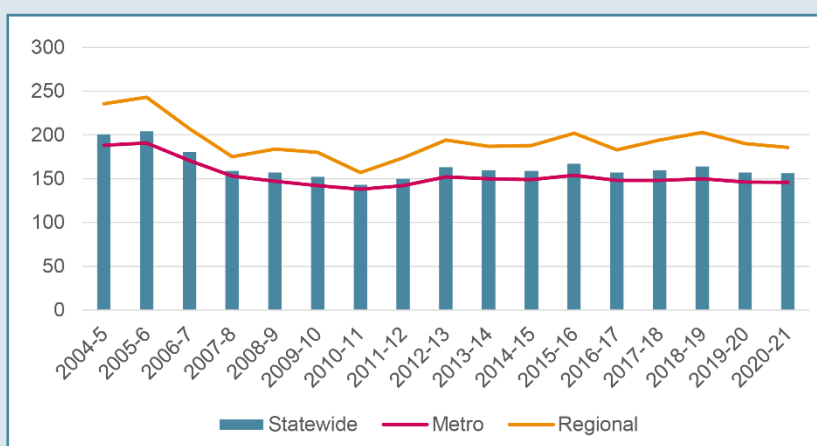
### Snapshot (average household water use, kilolitres)

Statewide average		-0.7%	Metro average		0.0%	Regional average		-2.2%
2020-21	156	↕	2020-21	146	↕	2020-21	186	↓
2019-20	157		2019-20	146		2019-20	190	

## Key observations

- Average annual household water use across Victoria decreased only slightly by 0.7 per cent in 2020–21, to 156 kilolitres. Just two businesses reported a decrease of 5 per cent or more. This reflects close to average rainfall overall this year, with a wetter than average summer and a drier than average autumn.<sup>4</sup>
- Average annual household water use decreased by 2.2 per cent in regional Victoria. The largest decrease was recorded by North East Water, which reported a 7.3 per cent decrease.
- In metropolitan Melbourne, average annual household water use remained steady at 146 kilolitres. Of the metropolitan businesses, City West Water reported the largest change, with a decrease of 4.8 per cent.

## Average household water usage (kL)



Victoria's average household water usage has remained at around 160 kilolitres for the past nine years and is well down on levels in the mid 2000's. In metropolitan Melbourne in recent years, average household water use has remained relatively steady at around 150 kilolitres per year. Average annual household water use in regional Victoria has fluctuated more markedly. This fluctuation is mainly due to consumption patterns in the north and west of the state, particularly for Lower Murray Water.



<sup>4</sup> "Victoria in summer 2020-21: wetter and cooler than average", *Bureau of Meteorology (2021)*. Available at: <http://www.bom.gov.au/climate/current/season/vic/archive/202102.summary.shtml>, accessed 15 November 2021.

"Victoria in autumn 2021: below average rainfall; coolest nights since 2015", *Bureau of Meteorology (2021)*. Available at: <http://www.bom.gov.au/climate/current/season/vic/archive/202105.summary.shtml>, accessed 15 November 2021.

### 1.3. Typical household bills

Household bills across Victoria vary due to the cost to service different regions, sources of water, historical decisions about tariff structures and the average volume of water used.

Bills are a combination of how much water is used, prices for fixed and variable rate charges, and other charges. Owner occupier households pay both fixed and variable charges for their bills. Landlords pay the fixed charges for their property and the tenants only pay the variable charges. Only metropolitan Melbourne households have a variable sewerage charge. Note that although metropolitan businesses include waterways and drainage or parks charges in their bills on behalf of Melbourne Water, we do not include these charges in our calculations of the typical bills.

Figure 1.2 shows typical bills for owner occupiers across five years and Figure 1.3 shows typical bills for tenants across five years.

#### How typical bills are calculated

Typical household bills shown for each year are in that year's dollars. We use each business's average household usage (see Section 1.2) to calculate an indicative household bill for water and sewerage services. This includes both the fixed and variable water and sewerage charges, and any applicable rebate.<sup>5</sup>

For regional businesses with multiple pricing zones, we used the prices in the largest town to calculate that business's typical household bill.

Some water businesses previously applied a rebate to residential bills. For many water users, this rebate was shown as an annual credit on water bills. Following the 2018 price review this rebate has either not applied or is being phased out.

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<sup>5</sup> For consistency in comparison, we have excluded the metropolitan drainage charges for Melbourne Water and the metropolitan parks charges set by the Minister for Water, collected on their behalf by the metropolitan water businesses via water bills. These charges are not directly levied by these water businesses and are not part of their revenue stream.

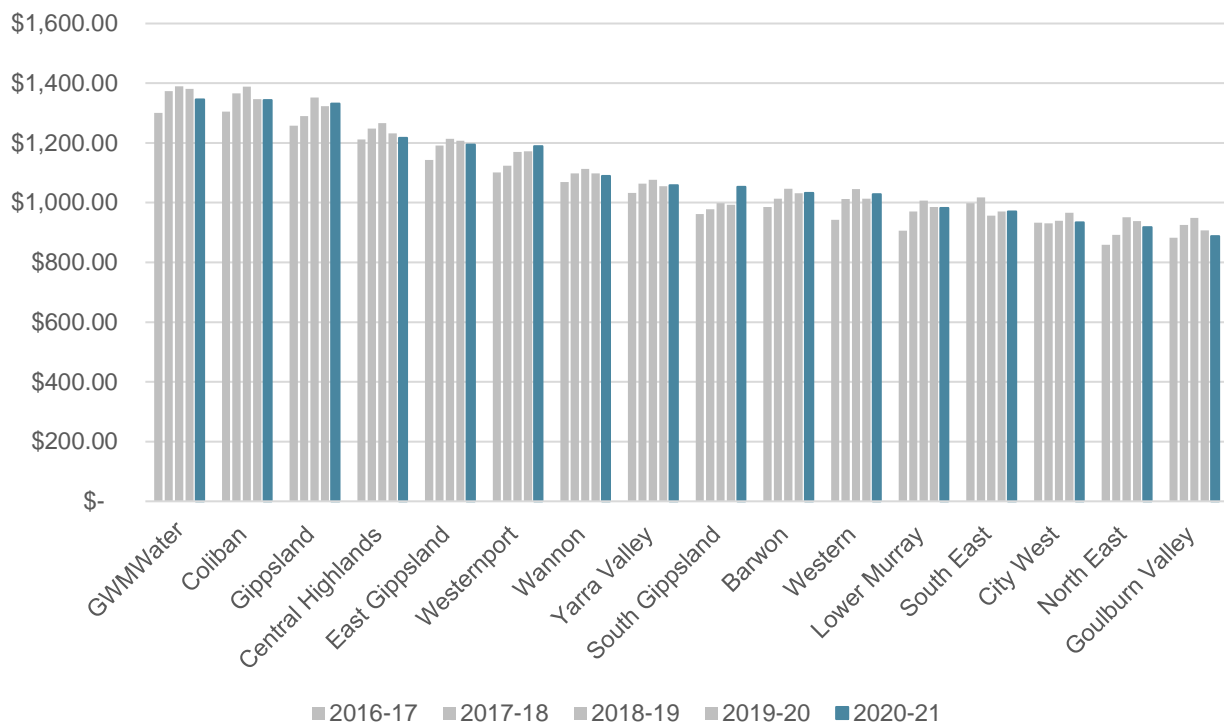
## Want more information?

We have an interactive bill estimator available at [www.esc.vic.gov.au/water/information-water-consumers](http://www.esc.vic.gov.au/water/information-water-consumers), where an indicative bill can be calculated for any annual water usage, and compared across all water businesses.

Our website also explains some key terms for understanding bills, and describes how we regulate prices, visit [www.esc.vic.gov.au/water/water-prices-tariffs-and-special-drainage/](http://www.esc.vic.gov.au/water/water-prices-tariffs-and-special-drainage/)

**Figure 1.2 Typical household bills including inflation, owner occupiers**

(\$, nominal)



## Snapshot (typical owner occupier water bill, nominal dollars)

Statewide average		-0.5%	Metro average		-0.6%	Regional average		-0.3%
2020-21	\$1,027.52	↔	2020-21	\$997.21	↔	2020-21	\$1,114.62	↔
2019-20	\$1,032.81		2019-20	\$1,003.41		2019-20	\$1,117.81	

How much households use and pay for water

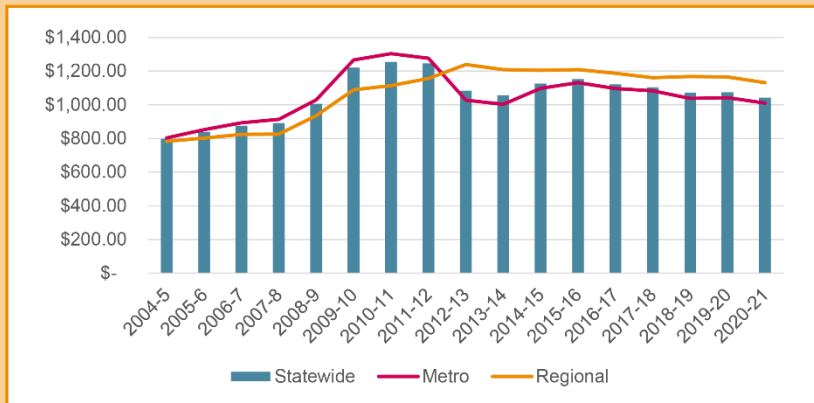
## Key observations

- In 2020–21 the statewide owner occupier typical bill was \$1,028, about \$5 less than the statewide typical bill in 2019–20 of \$1,033. This coincides with continued reductions in household water use, and is consistent with annual observations – last year, which also saw a decrease in household water use from the previous year, again saw a decrease in typical bills.
- In Melbourne, the typical owner occupier bill decreased by \$6 from \$1003 in 2019–20 to \$997 in 2020–21.
- Customers of City West Water saw a decrease in their typical annual bill, while customers of South East Water and Yarra Valley Water saw a slight increase.
- In regional Victoria the typical owner occupier bill decreased by \$3, from \$1,118 in 2019–20 to \$1,115 in 2020–21.
- The customers of five regional water businesses saw an increase in their typical bill in 2020–21, while the customers of the other eight regional water businesses saw a decrease. South Gippsland Water’s customers saw the biggest increase, up \$60 to \$1,053. This change is consistent with the 5 per cent price increase we approved in its 2020 price review along with South Gippsland Water customers having slightly higher average consumption in 2020-21.
- For the second year in a row, Goulburn Valley Water’s customers received the lowest typical household bill (\$888) of the state.
- Although GWMWater customers saw a decrease of \$35 in their typical bill compared to the previous year, they still received the highest typical bill (\$1,346) in the state for the fourth year in a row.





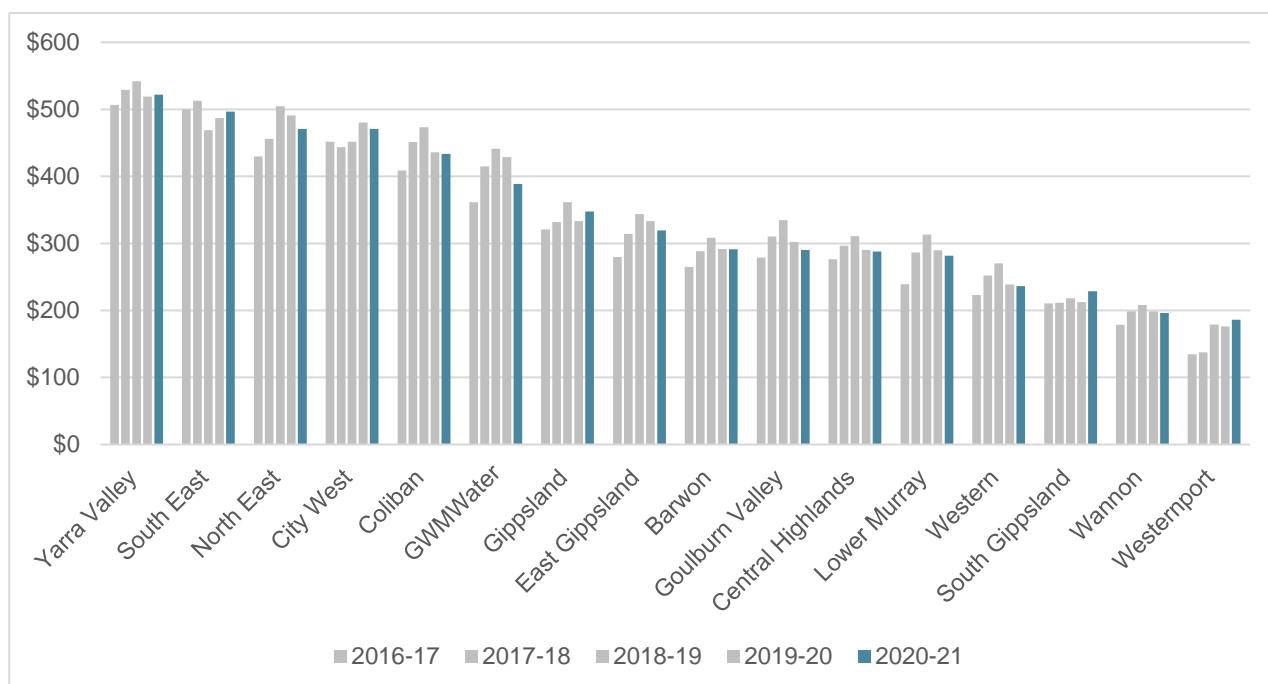
## Owner occupier typical bills (real \$2020–21)



This chart shows the trend in typical bills excluding inflation and holding consumption constant. It provides a long term view of price changes on customer bills. Typical bills for both metropolitan and regional customers increased during the height of the millennium drought in 2009 and 2010 to allow businesses to recover costs of expansion of water supply infrastructure. Since then bills have remained reasonably steady across the state.

**Figure 1.3 Typical household bill including inflation, tenants**

(\$, nominal)



**Snapshot (typical tenant water bill, nominal dollars)**

<b>Statewide Average</b>		<b>0.1%</b>	<b>Metro Average</b>		<b>0.5%</b>	<b>Regional Average</b>		<b>-1.3%</b>
2020-21	\$452.24	↕	2020-21	\$500.72	↕	2020-21	\$312.91	↓
2019-20	\$451.71		2019-20	\$498.31		2019-20	\$317.00	

**Key observations**

- The statewide typical bill for tenants remained constant compared to the previous year at \$452.
- In regional Victoria, tenants’ typical bills decreased by 1.3 per cent from \$317 in 2019–20 to \$313 in 2020–21.
- Customers of ten regional water businesses saw a decrease in their typical bill while customers of the remaining three saw an increase. South Gippsland Water customers saw the largest increase of about 8 per cent from \$213 in 2019–20 to \$229 in 2020–21. Again this is consistent with the prices we approved in its 2020 price review and South Gippsland Water customers’ higher average consumption.
- In Melbourne, the typical bill for tenants increased by less than 1 per cent, from \$498 in 2019–20 to \$501 in 2020–21. City West Water customers saw a decrease of \$10 (2 per cent) in their typical bill, while Yarra Valley Water and South East Water customers saw an increase of \$3 (less than 1 per cent) and \$10 (2 per cent) respectively.

- Westernport Water customers continue to receive the lowest typical tenant bill across the state at \$186.
- Yarra Valley Water customers continue receive the highest typical tenant bill across the state, at \$522.

#### **1.4. Concession customers**

Twenty-seven per cent of residential customers have a concession applied to their water bills.<sup>6</sup> The Victorian Government, through the Department of Families, Fairness and Housing, provides concessions to assist low income households with water and sewerage bills at their principal place of residence. In 2020–21, \$194.7 million was contributed as concessions to residential water bills. The number of concession households increased by 45,976 (7 per cent), from 678,906 in 2019–20 to 724,882 in 2020–21.

Customers holding a concession card can contact their water business to apply for a concession. Concessions may be applied retrospectively.

#### **1.5. Customers on flexible payment plans**

Instalment plans are alternative payment arrangements offered by water businesses to provide flexibility for customers in managing their bill payments and to assist those experiencing payment difficulties. Payment arrangements may include giving customers the ability to pay off their bill in monthly instalments.

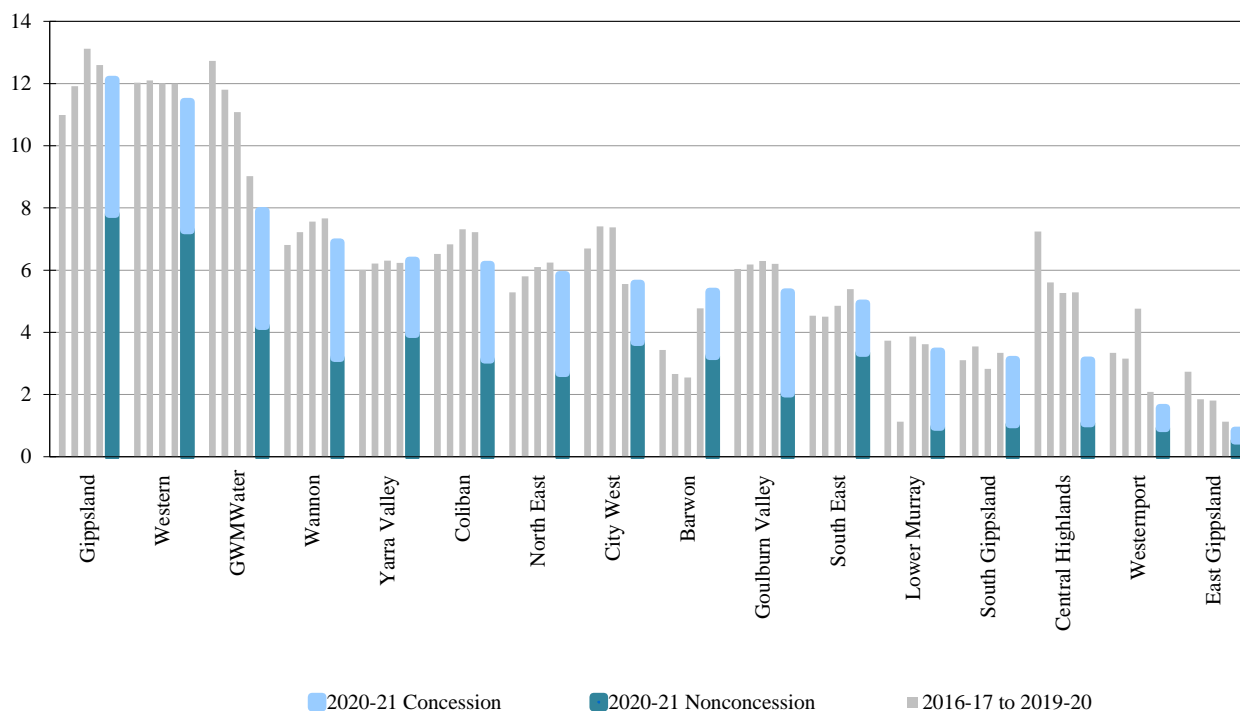
Figure 1.4 shows the number of customers on instalment plans per 100 customers as recorded on 30 June 2021 and split between the proportion of concession customers (light blue) and non-concession customers (dark blue).

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<sup>6</sup> Concession data sourced from the Department of Families, Fairness and Housing.

**Figure 1.4 Residential customers with instalment plans per 100 customers**

(at 30 June 2021)



**Snapshot (residential instalment plans per 100 customers)**

State-wide Average		-3.9%	Metro Average		-2.4%	Regional Average		-7.5%
2020-21	5.8	↓	2020-21	5.6	↓	2020-21	6.3	↓
2019-20	6.0		2019-20	5.8		2019-20	6.9	

**Key observations**

- The total number of residential customers on instalment plans at the end of 2019–20 decreased slightly from 159,259 to 156,679 at the end of 2020–21. Accordingly, the overall rate of residential customers on instalment plans also decreased slightly to 5.8 per 100 customers, down from 6.0 in 2019–20.
- Most businesses reported a decrease in the rate of customers on instalment plans.
- Residential customer use of instalment plans ranged from 0.8 per 100 customers for East Gippsland Water customers to 12.1 per 100 customers for Gippsland Water customers.
- Central Highlands Water (41 per cent), East Gippsland Water (25 per cent), and Westernport Water (25 per cent) reported the largest decreases in the rate of customers on instalment plans. For Central Highlands Water, the number of residential customers on instalment plans decreased from 5.3 per 100 customers at the end of 2019-20 to 3.1 at the end of 2020–21.

## 1.6. Government funded grants scheme

The Department of Families, Fairness and Housing administers the utility relief grants scheme, which provides one-off financial contributions towards a bill of a customer experiencing payment difficulties. The grant payment is generally used to assist with a short-term financial crisis. It is different from the hardship programs provided by the water businesses to customers who experience ongoing financial hardship.

Table 1.1 provides information relating to the number of customers that have received a utility relief grant in 2020–21.

Our ongoing monthly reports that monitor how water businesses are supporting customers during the pandemic also provide up to date information on the number of customers applying for a utility relief grant. Read our latest monthly reports at [www.esc.vic.gov.au/water-customer-support-during-coronavirus-pandemic](http://www.esc.vic.gov.au/water-customer-support-during-coronavirus-pandemic)

Water businesses must assist customers experiencing payment difficulties on a case-by-case basis by appropriately referring customers to government funded assistance programs or to an independent financial counsellor. This includes helping eligible customers apply to the Department of Families, Fairness and Housing for a utility relief grant.

**Table 1.1 Utility relief grant scheme in 2020-21 (residential customers)**

	Number of grants approved	Percentage of grants initiated that are approved	Average value of grant paid	Grants approved per 100 customers
City West	2,313	51%	\$438	0.50
South East	4,833	77%	\$378	0.65
Yarra Valley *	10,378	97%	\$320	1.30
Barwon	702	92%	\$381	0.44
Central Highlands *	412	84%	\$484	0.60
Coliban *	366	86%	\$418	0.51
East Gippsland	95	87%	\$457	0.43
Gippsland	508	74%	\$426	0.75
Goulburn Valley *	350	81%	\$395	0.64
GWMWater	59	54%	\$494	0.21
Lower Murray	71	42%	\$469	0.23
North East	459	90%	\$420	0.94
South Gippsland	70	86%	\$492	0.39
Wannon	67	76%	\$516	0.18
Western	728	86%	\$461	0.99
Westernport	58	72%	\$490	0.35
<b>Statewide</b>	<b>21,469</b>	<b>82%</b>	<b>\$366</b>	<b>0.80</b>

Source: Department of Families, Fairness and Housing

Grants approved per 100 customers refers to the number of grants approved per the relevant water business's own residential customer base.

### Key observations

- The number of grants approved by the Department of Families, Fairness and Housing have continued to increase year on year, increasing from 15,863 in 2019–20 to 21,469 in 2020–21. This reflects continued efforts by both water businesses and the Department of Families, Fairness and Housing to support customers since the beginning of the coronavirus pandemic.
- The proportion of Victorian customers receiving grants increased from 0.6 per 100 customers in 2019–20 to 0.8 per 100 customers in 2020–21.

- The average grant value for the state was \$366. Across businesses, average grant values ranged from \$320 for Yarra Valley Water customers to \$516 for Wannon Water customers.
- Almost half of all grant payments went to Yarra Valley Water customers, with a total of \$3.32 million paid across 10,378 customers – noting that Yarra Valley Water has the largest customer base.
- Yarra Valley Water had the highest rate of customer applications approved, with 1.30 applications approved per 100 customers. Wannon Water had the lowest rate of customer applications approved, with 0.18 applications approved per 100 customers.
- Eighty-two per cent of applications initiated were approved statewide. This is an increase on 2019–20, where 79 per cent of applications initiated were approved statewide, and remains a significant increase compared to 2018–19 where only 55 per cent of applications initiated were approved.

## 1.7. Customer hardship grants from water businesses




Hardship grants are another approach used by water businesses to assist customers experiencing payment difficulties. These often take the form of co-payment schemes, where the water business will waive a periodic payment if the customer meets a set number of scheduled payments, with the waived payment counted as a hardship grant. Table 1.2 provides information about the number and value of hardship grants received by customers from each water business in 2020–21.

**Table 1.2** Hardship grants (residential customers, excluding inflation)

	Average value of a customer grant, 2020-21	Average value of a customer grant, 2019-20	Per 100 customers, 2020-21	Per 100 customers, 2019-20
City West	\$383	\$551	0.19	0.05
South East	\$423	\$301	0.11	0.07
Yarra Valley	\$498	\$656	0.94	1.56
Barwon	\$141	\$186	2.24	1.57
Central Highlands	\$757	\$433	0.02	0.04
Coliban	\$316	\$173	0.54	0.86
East Gippsland	\$248	\$210	1.40	1.49
Gippsland	\$175	\$284	0.25	0.28
Goulburn Valley	\$189	\$111	0.38	0.22
GWMWater	\$207	\$139	0.42	0.34
Lower Murray	\$500	\$446	0.00	0.01
North East	\$704	\$509	0.36	0.24
South Gippsland	\$1000	\$0	0.01	0.00
Wannon	\$319	\$294	0.47	0.48
Western	\$564	\$527	1.09	0.99
Westernport	\$60	\$45	1.57	0.66
<b>Statewide</b>	<b>\$382</b>	<b>\$532</b>	<b>0.57</b>	<b>0.67</b>



## Snapshot (hardship grants approved per 100 customers)

Statewide average		-15.8%	Metro average		-30.7%	Regional average		23.7%
2020-21	0.57		2020-21	0.46		2020-21	0.89	
2019-20	0.67		2019-20	0.66		2019-20	0.72	

### Key observations

- Across the state, water businesses awarded hardship grants to a total of 15,332 customers in 2020–21, representing 0.57 customers receiving grants per 100 customers. This is a 15.8 per cent decrease in grants received per 100 customers compared to the previous year when the rate spiked due to the pandemic. However the rate is still significantly higher than the years leading up to the pandemic.
- Melbourne metro water businesses reported a 30.7 per cent decrease in the rate of hardship grants awarded to customers, while regional Victoria reported a 23.7 per cent increase.
- The state average value of grants decreased, falling from \$532 in 2019–20 to \$382 in 2020–21. This comes after the average value of hardship grants more than doubled the year before.
- The average value of grants across businesses ranged from \$60 (Westernport Water) to \$1,000 (South Gippsland Water, noting South Gippsland Water only awarded one hardship grant in 2020–21, to a residential customer experiencing extreme financial hardship).
- Barwon Water reported the highest rate of hardship grants awarded with 2.24 grants awarded per 100 customers, followed by Westernport Water with 1.57 per 100 customers.
- The rate of grants awarded to City West Water customers more than tripled from 0.05 customers awarded grants per 100 customers in 2019–20 to 0.19 grants awarded per 100 customers in 2020–21.
- Central Highlands Water, Lower Murray Water and South Gippsland Water had the lowest rates at zero or close to zero.

## 1.8. Actions for non-payment of bills

Water legislation allows water businesses to limit the water flowrate to non-paying customers by inserting a restriction device in the customer's water supply line. Water businesses may also take legal action against customers to recover unpaid debt.

Water businesses must assist customers experiencing payment difficulties on a case-by-case basis by:

- observing minimum periods of notice before applying supply restrictions or pursuing legal action to recover outstanding debts
- not restricting water supply of a customer or pursuing legal action before first taking additional steps to secure payment, including making a reasonable attempt to contact the person, offering a payment arrangement and resolving any dispute over the outstanding amount.

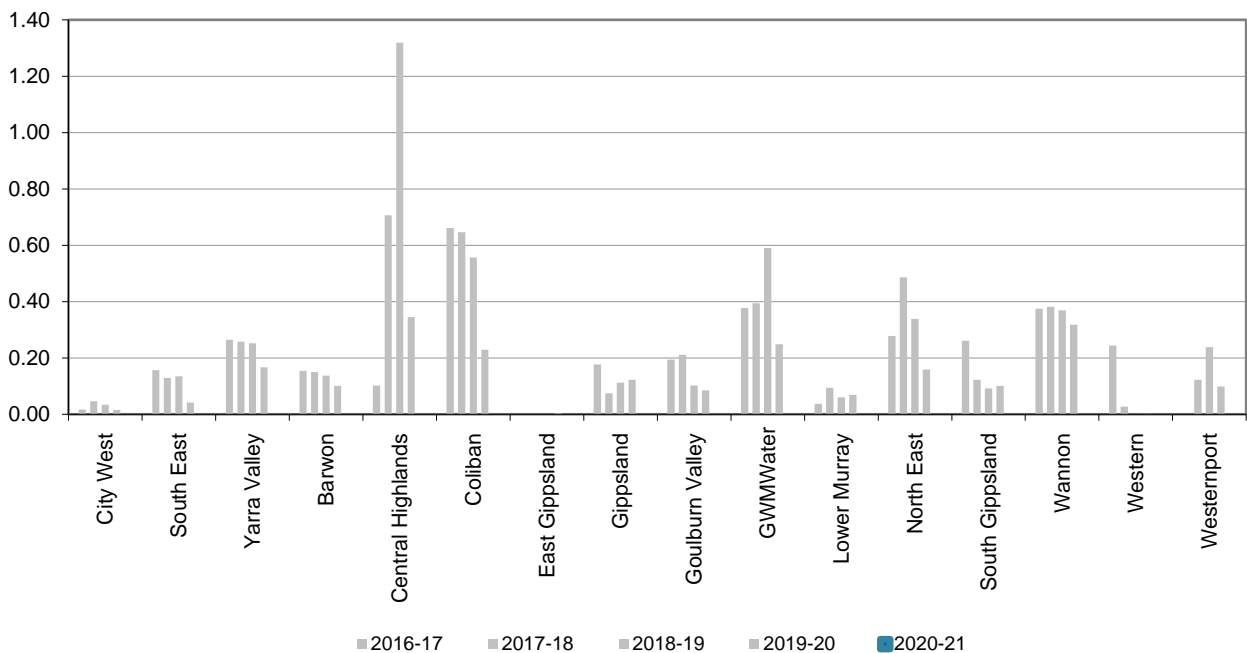
Our Customer Service Code sets out the procedures water businesses are required to follow before restricting a customer's water supply or taking legal action.

Given the ongoing pandemic, water businesses suspended debt recovery actions (including water supply restrictions or legal actions) against any water customer in 2020–21. Water businesses have instead focused on providing additional levels of hardship support for customers during this time. This approach is consistent with the current national principles guiding customer support during the pandemic.

Figure 1.5 shows the number of customers that had their water supply restricted per 100 customers for each water business across the last five years. Figure 1.6 shows the number of customers that faced legal action per 100 customers across the last five years.

**Figure 1.5 Water supply restrictions for non-payment of bills**

(per 100 residential customers)



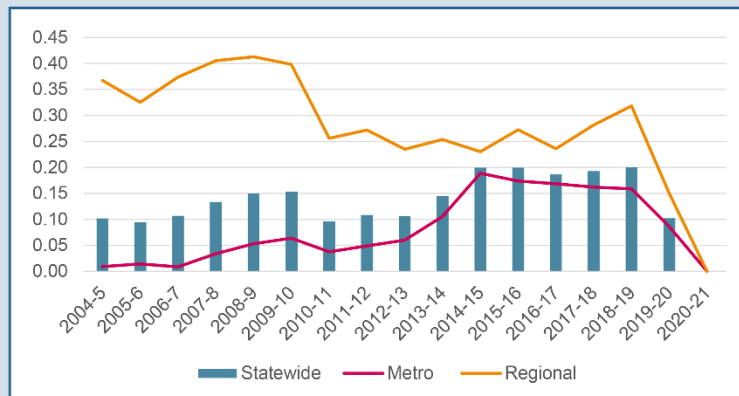
**Snapshot (residential water supply restrictions per 100 customers)**

Statewide average		-100.0%	Metro average		-100.0%	Regional average		-100.0%
2020-21	0.00	↓	2020-21	0.00	↓	2020-21	0.00	↓
2019-20	0.10		2019-20	0.09		2019-20	0.15	

**Key observations**

No new water supply restrictions were applied for non-payment of bills in 2020–21 due to a suspension on restrictions and legal action during the pandemic. This is consistent with current national support principles in our customer service codes which provides guidance on customer support during the pandemic.

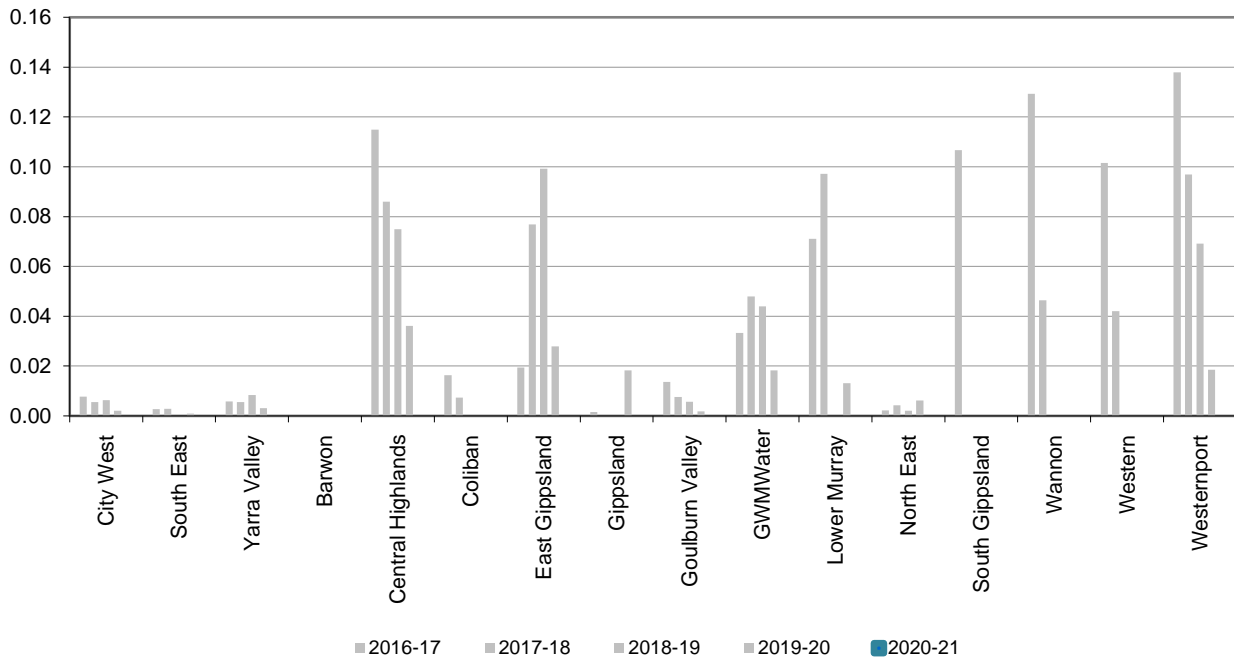
## Water supply restrictions for non-payment of bills



Due to a moratorium on water supply restrictions during the pandemic, the restriction rate fell to zero in 2020–21. This follows a sharp drop in the restriction rate the previous year when the sector voluntarily ceased restrictions early on in the pandemic. In the past, the regional restriction rate was much greater than the restriction rate in Melbourne. The regional and Melbourne restriction rates started to merge from about 2014–15.

**Figure 1.6 Legal actions for non-payment of bills**

(per 100 residential customers)



**Snapshot** (residential legal actions, per 100 customers)

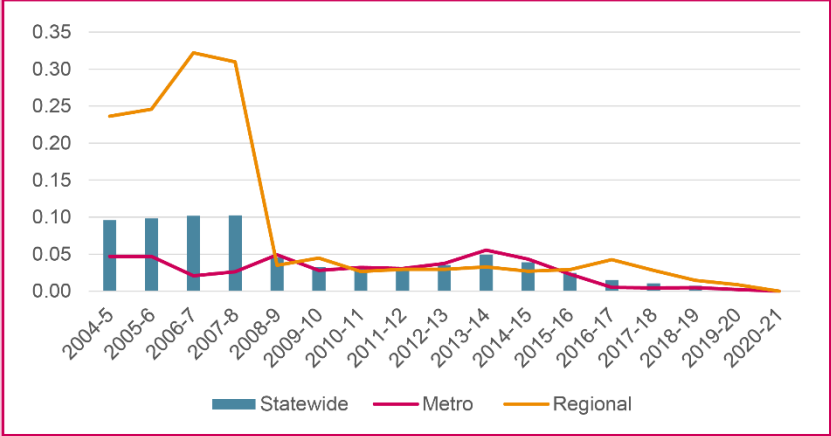
Statewide average		-100.0%	Metro average		-100.0%	Regional average		-100.0%
2020-21	0.00	↓	2020-21	0.00	↓	2020-21	0.00	↓
2019-20	0.00		2019-20	0.00		2019-20	0.01	

**Key observations**

No legal action was taken for non-payment of bills in 2020–21 due to a suspension on restrictions and legal action during the pandemic. This is consistent with current national support principles in our customer service codes which provides guidance on customer support during the pandemic.



# Legal actions for non-payment of bills



The rate of customers facing legal action for overdue bills fell to zero in 2020–21 due to the moratorium on debt collection action. Despite the moratorium, the rate both in regional and metropolitan Victoria has been trending down towards zero for several years.

## 2. How water businesses respond to their customers

This chapter explores how water businesses manage enquiries to their call centres. We also examine the most common areas for complaints made to water businesses and when customers take their complaints to the ombudsman.

Our Customer Service Code places obligations on businesses for responding to enquiries or complaints and providing appropriate service. These obligations include having policies, practices and procedures for handling customers' complaints and disputes, and providing certain information to customers on request. Specific details can be found in each water business's Customer Charter, which is available on its website.

### 2.1. 2020-21 at a glance

Our customer perception survey results for 2021 have improved compared to 2020 and show customer ratings of their water business vary only slightly from business to business.

Customers received a similar standard of customer service compared to previous years, despite multiple disruptions due to the pandemic.

The number of complaints made to water businesses increased across the state, with the largest proportion of complaints relating to water quality.

Complaints about water quality increased compared to the previous year.

## 2.2. How customers rate their water business

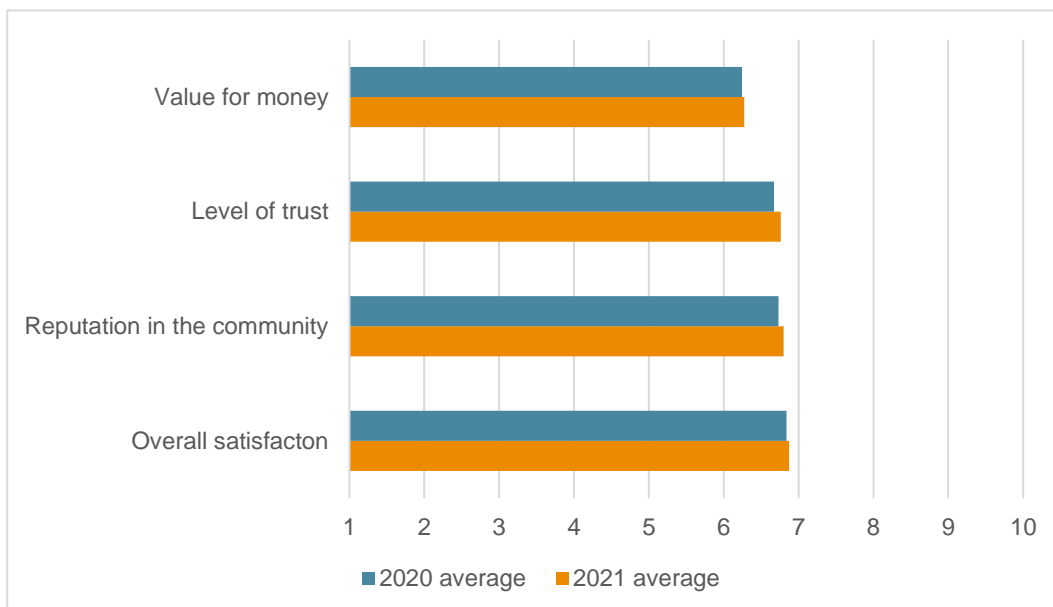
We survey 1,450 water customers every quarter (5,800 customers a year) across the 16 urban and regional water businesses on how they think their water business rates across four key areas:

- value for money
- reputation in the community
- level of trust
- overall satisfaction.

Our customer perception survey results for 2021 show average customer ratings of their water business have improved from 2020's results in all four areas. For more information about our customer surveys and to view the trend over a longer period, see <https://www.esc.vic.gov.au/how-customers-rate-their-water-business>.

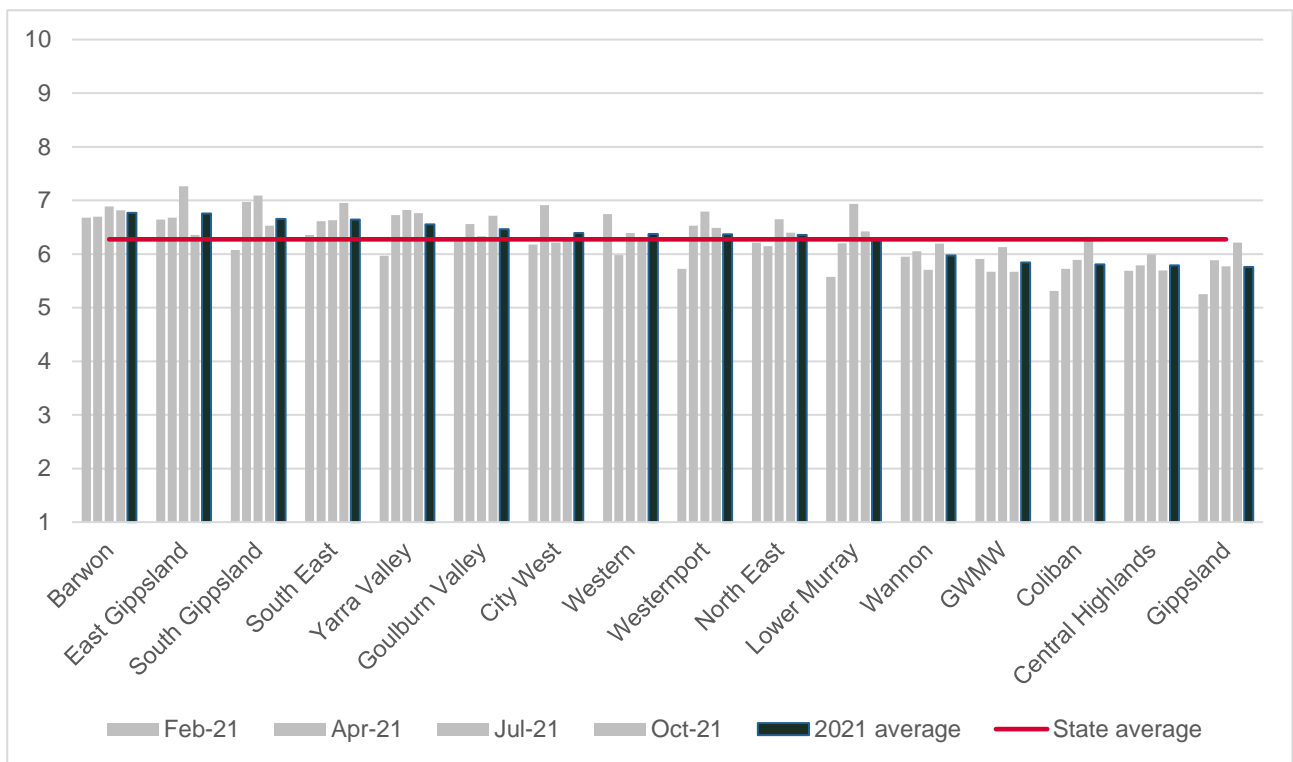
Figure 2.1 compares the state average scores in 2021 for each of the four areas with the scores in 2020. Figures 2.2 to 2.5 below show the scores out of 10 that customers gave their water business for each of these four key areas for each quarterly survey round and the overall average for 2021. Businesses are ranked according to the average score for the year, as shown by the blue bar.

**Figure 2.1 State average scores for each area surveyed**

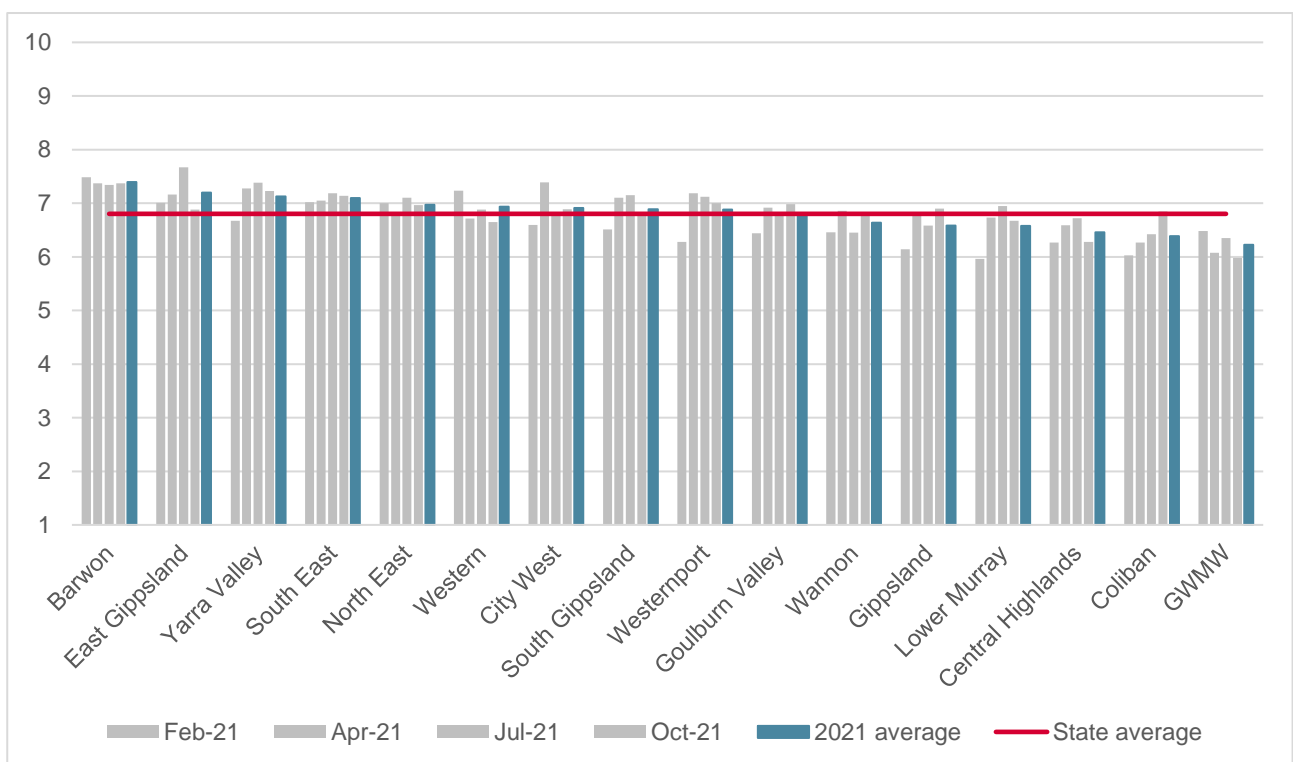




**Figure 2.2** How customers rated their business for value for money

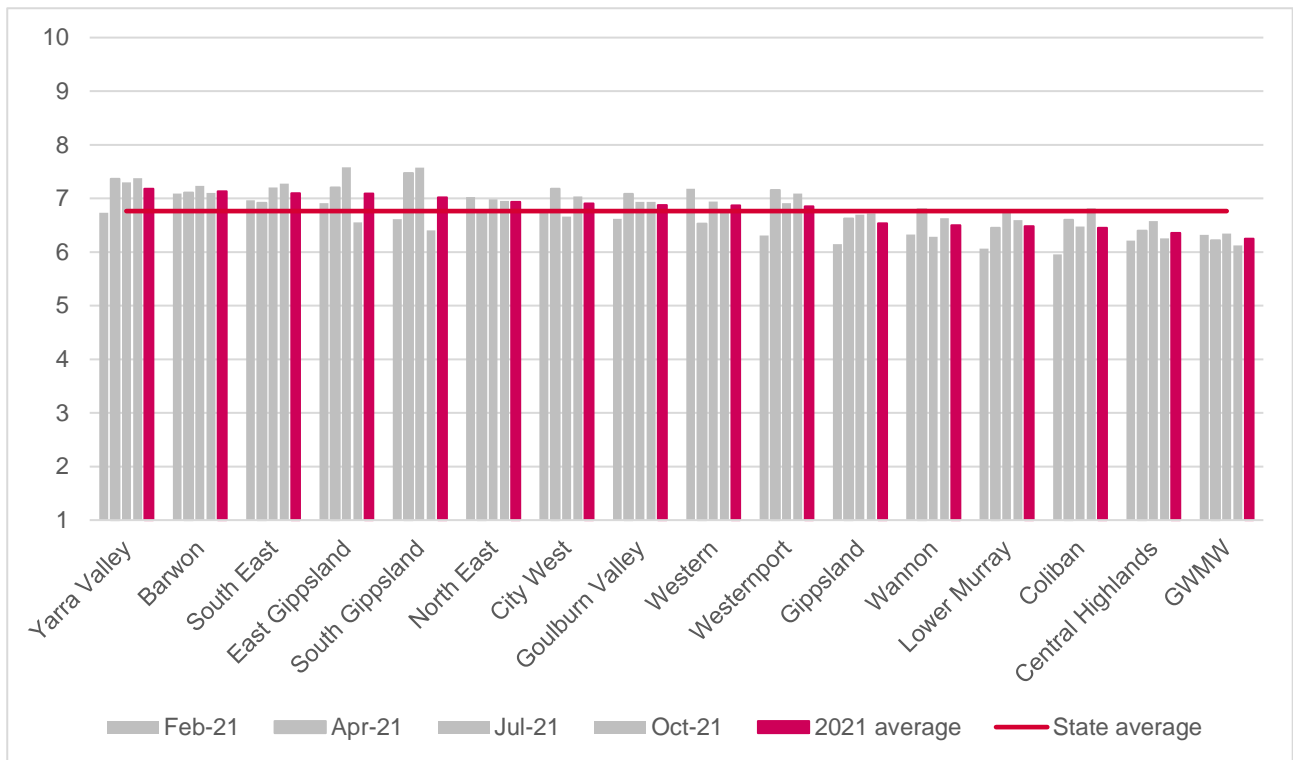


**Figure 2.3** How customers rated their water business on reputation in the community

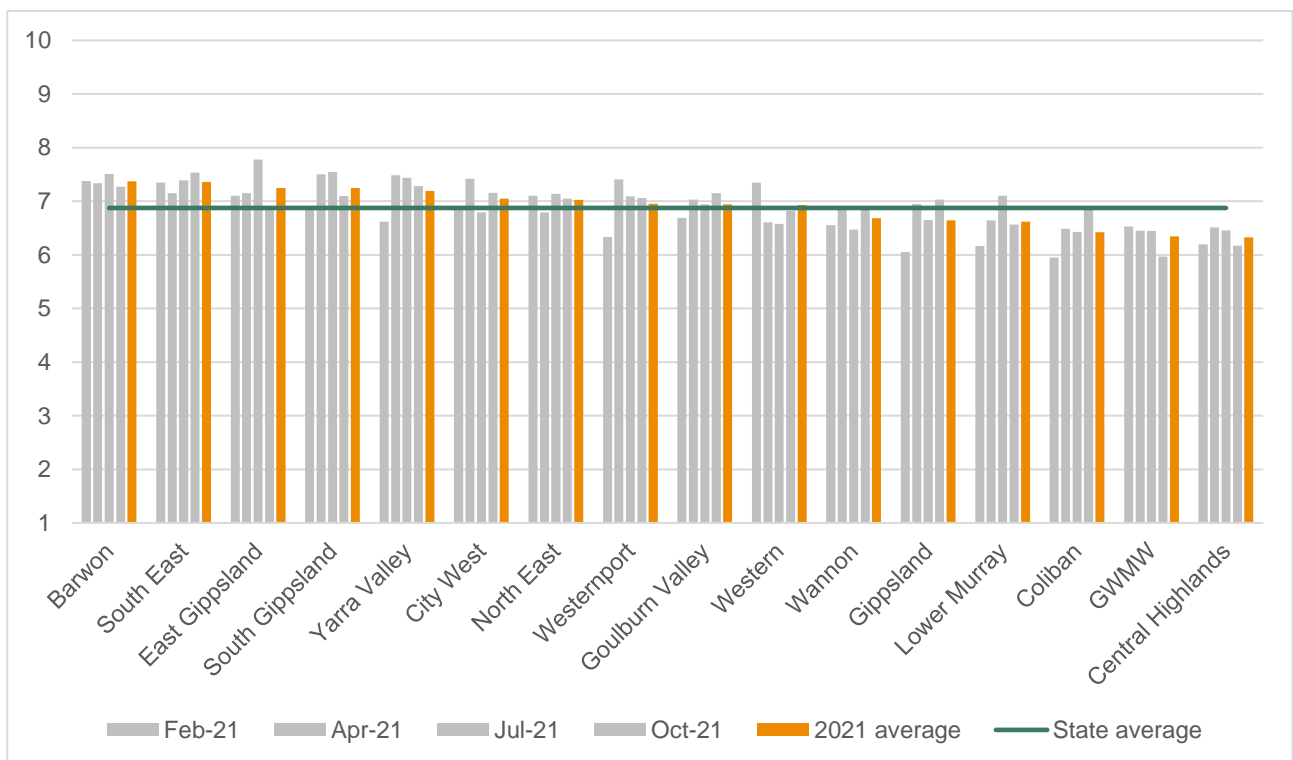


How water businesses respond to their customers

**Figure 2.4** How customers rated their water business for level of trust



**Figure 2.5** How customers rated their water business for overall satisfaction



How water businesses respond to their customers

## Key observations

- From business to business, scores vary only slightly and for each area surveyed the difference between the highest score and the lowest score is about one point.
- Customers generally gave the highest ratings for overall satisfaction (averaging at 6.9 out of 10 at the state level) and lowest ratings for value for money (averaging at 6.3 out of 10 at the state level) out of the four areas surveyed.
- Barwon Water was rated highest for value for money but did not have the lowest typical bill (it had the seventh lowest bill), while Gippsland Water was rated the lowest but did not have the highest typical bill (it had the third highest bill). This indicates customers consider other factors as well as price when rating the value their water business provides.
- Barwon Water stands out as one of the highest rated businesses, placing first for three of the four areas surveyed – value for money, reputation in the community and overall satisfaction – and second after Yarra Valley Water for level of trust in its 2021 average scores.
- GWMWater placed last for reputation in the community and level of trust and Central Highlands Water and Gippsland Water rated last for overall satisfaction and value for money respectively.

## 2.3. Water business customer service

We asked Customer Service Benchmarking Australia (CSBA) to independently benchmark the call centre performance of Victorian water businesses. Posing as genuine customers with general enquiries, trained CSBA mystery shoppers contacted each of the water businesses' call centre agents on 60 occasions via the account line (as opposed to the fault line) and scored each interaction.

CSBA uses a proprietary approach called SenseCX for scoring the key aspects of the customer experience during a telephone call.

The key aspects are described as: **engage, introduce, clarify, resolve** and **close**. The scoring approach measures performance in these key aspects across the following three areas:

- **Ease** – the effort the customer must expend to accomplish their goals. The interaction must be easy. The agent should actively guide the customer through a clear process towards resolution.
- **Sentiment** – how the experience and interaction make the customer feel. Customers want to be treated as an individual, not just another transaction in the agent's day.
- **Success** – the degree to which the customer is able to accomplish their goals. Customers want to get what they came for and move on. They need to be understood and provided with a no-fuss resolution.

The SenseCX approach provides a benchmark comparative score, and helps businesses identify specific areas where they can improve the customer experience. Points are allocated for meeting specific criteria across the three areas. The score is simply the percentage of total points achieved out of the total points available for each area. Overall, the Victorian water sector achieved a score of 57 per cent, the same score as the previous year.

Since 2017–18, CSBA has applied its SenseCX approach to score the water sector and compare it with other industry sectors' scores. Table 2.1 outlines the median scores for each of the sectors in 2020–21, which all fall within a narrow 6 percentage point range. The median scores of the metropolitan and regional Victorian water sectors are comparable to the median scores of utilities and other Australian sectors measured by CSBA.

Table 2.2 provides the overall average score for each water business, along with average scores for each of the three pillars: ease, sentiment, and success.

**Table 2.1 Victorian metropolitan and regional water sectors compared to other Australian sectors in 2020–21 (median score under SenseCX)**

Sector	Median score (per cent)
Education	59
Australian Water Sector	56
<b>Victorian Regional Water Sector</b>	<b>56</b>
<b>Victorian Metropolitan Water Sector</b>	<b>56</b>
All Utilities	55
Government	54
Commercial	54
Financial Services	54
Automotive	54

Source: CSBA

**Table 2.2** Water businesses' overall benchmark scores and scores for each area under SenseCX (per cent)

Water business	Score	Ease	Sentiment	Success
Barwon	76	68	81	79
Coliban	58	34	65	72
South Gippsland	57	32	66	70
Western	57	33	62	72
Yarra Valley	57	35	63	70
City West	56	34	63	69
East Gippsland	56	34	62	70
GWMW	56	34	65	69
North East	56	33	61	70
Wannon	56	35	62	69
Westernport	56	33	67	67
Goulburn Valley	55	33	61	69
Gippsland	54	30	61	68
South East	54	33	62	64
Lower Murray	53	32	62	65
Central Highlands	50	32	60	57
<b>Victorian Water Sector (average)</b>	<b>57</b>	<b>35</b>	<b>64</b>	<b>69</b>

Source: CSBA

### Key observations

- The Victorian water sector overall score and scores for each of the three areas – ease, sentiment and success – remain unchanged from the previous year. This suggests that despite multiple disruptions due to the pandemic, customers received a similar level of customer service compared to previous years.
- Ease continues to be the lowest scoring area for all water businesses with a sector average score of 35 per cent, almost half the sector average score for success at 69 per cent. Therefore, making sure processes are clear to customers and guiding them through to a resolution continues to be the area that water businesses need to improve. CSBA notes that difficulty in this area is reflective of the broader customer service industry.

- Most businesses' overall scores either regressed slightly or remained unchanged compared to the previous year. Only Barwon Water, Yarra Valley Water, GWMWater, East Gippsland Water and Goulburn Valley Water saw improvements in their overall scores.
- Barwon Water was again the best performing business, sitting well above the rest of the sector at 76 per cent. It also had the largest improvement, increasing its score by 6 percentage points compared to 2019–20.

### Want more information?

For more information, see our data summary which contains the data that forms the basis for our tables and charts available at <https://www.esc.vic.gov.au/water/water-sector-performance-and-reporting/water-performance-reports>

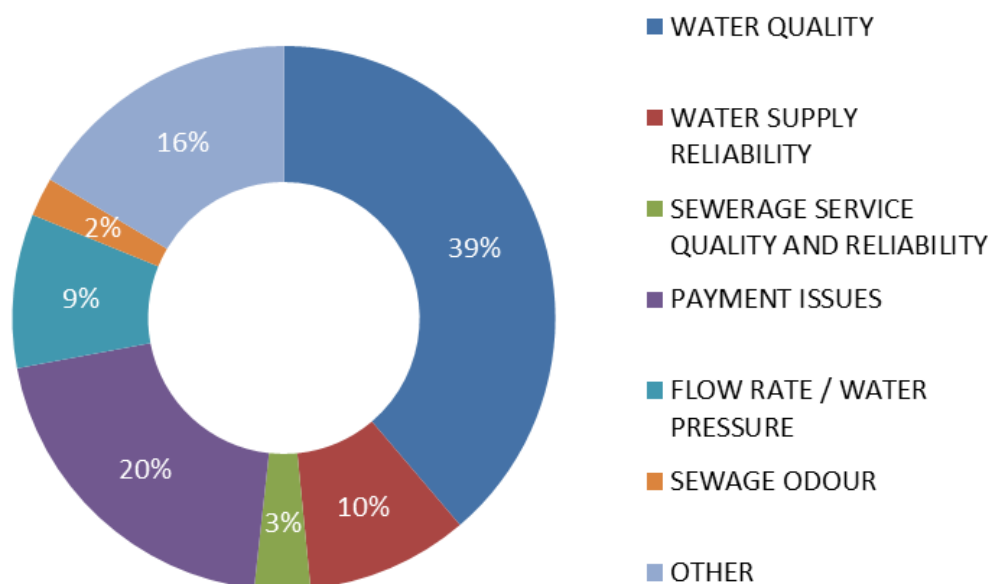
## 2.4. Complaints made to water businesses

Customer complaints can indicate dissatisfaction with the services provided by water businesses.<sup>7</sup> If a business cannot resolve a complaint directly with the customer, the customer may refer the matter to the Energy and Water Ombudsman (Victoria) for further investigation. Figure 2.6 shows the breakdown of total complaints made to water businesses in 2020–21 according to several categories and sizes each category according to its relative share of complaints.

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<sup>7</sup> A complaint is recorded if a customer registers dissatisfaction in a complaint category. Australian Standards define a complaint as an 'expression of dissatisfaction made to or about an organisation, related to its products, services, staff or handling of a complaint where a response is implicitly expected or legally required.' (AS/NZS 10002:2014) Under our reporting definitions, any customer query related to water quality must be recorded as a water quality complaint.

**Figure 2.6 Complaints by category in 2020–21 (total complaints made to water businesses)**

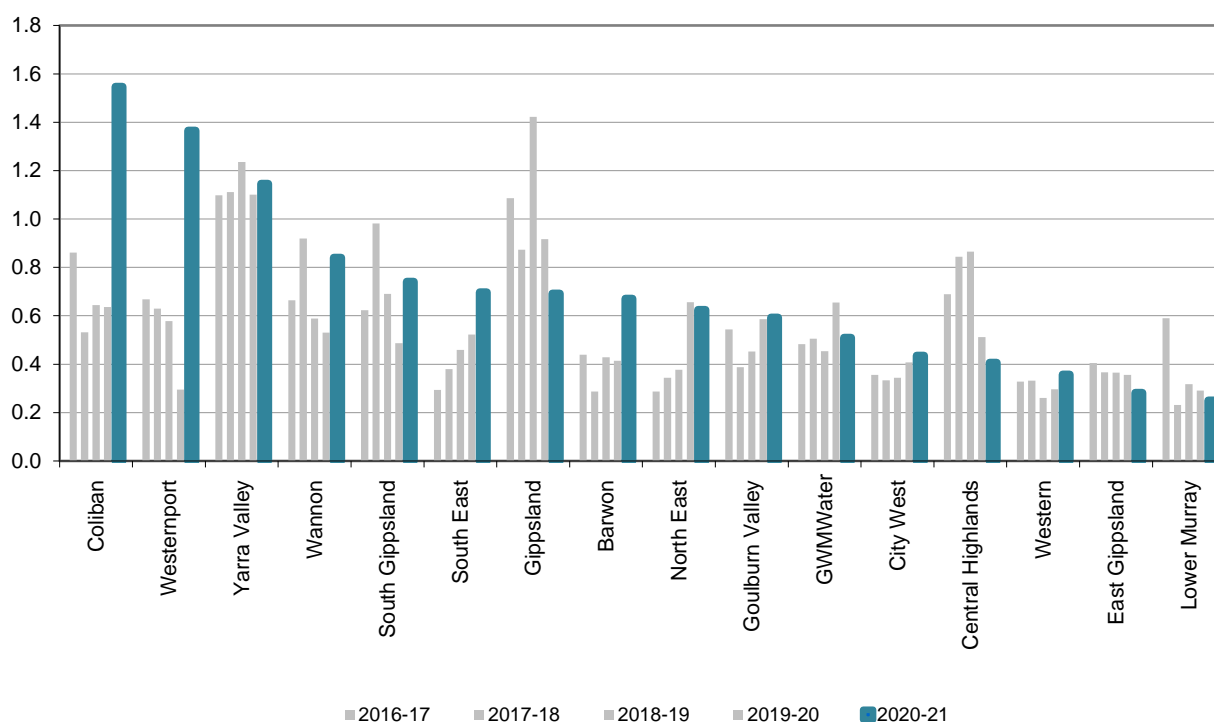


In 2020–21, businesses reported a total of 22,847 customer complaints across Victoria, an increase of 19 per cent from 19,265 total complaints in 2019–20. Water quality complaints represented the largest proportion at 39 per cent of the total statewide complaints, however this is around 4 percentage points lower than in 2019–20. In contrast, the proportion of complaints in relation to payment issues increased by 3 percentage points from 17 per cent in 2019–20 to 20 per cent in 2020–21.

Water quality complaints still outnumbered all other complaints for all water businesses except Barwon Water, Central Highlands Water, Coliban Water and Gippsland Water. Barwon Water received more complaints about issues classified as ‘other’. Central Highlands Water and Gippsland Water received more complaints about water pressure than water quality. Most of the complaints Coliban Water received were about payment issues. Figure 2.7 shows the complaint rate for each water business per 100 customers.



**Figure 2.7 Complaints made to water businesses (per 100 customers)**



**Snapshot (total complaints, per 100 customers)**

Statewide average		16.0%	Metro average		12.3%	Regional average		31.0%
2020-21	0.78	↑	2020-21	0.81	↑	2020-21	0.69	↑
2019-20	0.67		2019-20	0.72		2019-20	0.52	

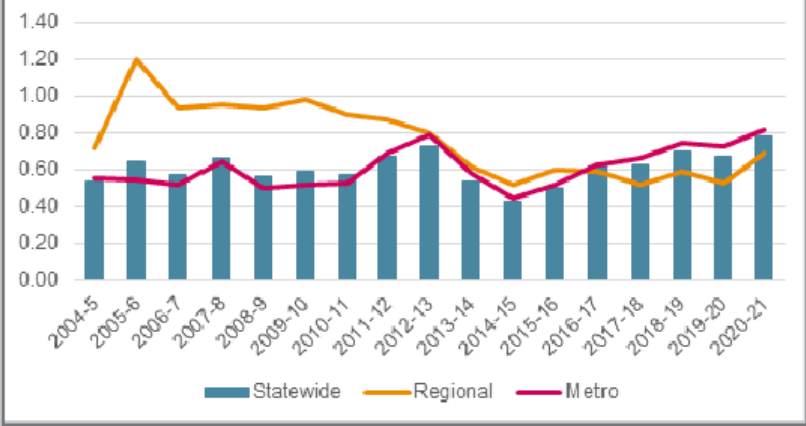
**Key observations**

- The average customer complaint rate in 2020–21 was 0.78 complaints per 100 customers, an increase of 16 per cent compared to 2019–20, when the rate was 0.67 complaints per 100 customers
- The complaint rate increased for both metropolitan and regional urban water businesses by 12 per cent and 31 per cent respectively.
- Coliban Water reported the highest complaint rate with 1.55 complaints made per 100 customers. The largest proportion of these complaints were related to payment issues.
  - Coliban Water attributed its high complaint rate to its introduction of a new billing and customer relation management system. As a result, both staff and customers were required to adapt to new payment and business processes. Data migration was also identified as an issue which was later resolved.

- Westernport Water had the largest increase in its complaint rate, increasing more than three-fold to 1.37 complaints per 100 customers. Sixty-eight per cent of these complaints related to water quality.
  - Westernport Water linked this increase to a water quality event in November and December 2020 which developed due to a period of low consumption followed by a sharp increase in demand. This loosened sediment within the water main, impacting water supply colour and odour. Corrective actions were taken, including flushing water pipes, air scouring, inspecting and cleaning treated water storages, additional field sampling and analysis, and responding to complaints.
- We note that South East Water reported a 33 per cent increase in its complaint rate this year after updating its definition of a complaint.
- East Gippsland Water and Lower Murray Water reported the lowest rates of about 0.3 complaints per 100 customers.



# Complaints made to water businesses

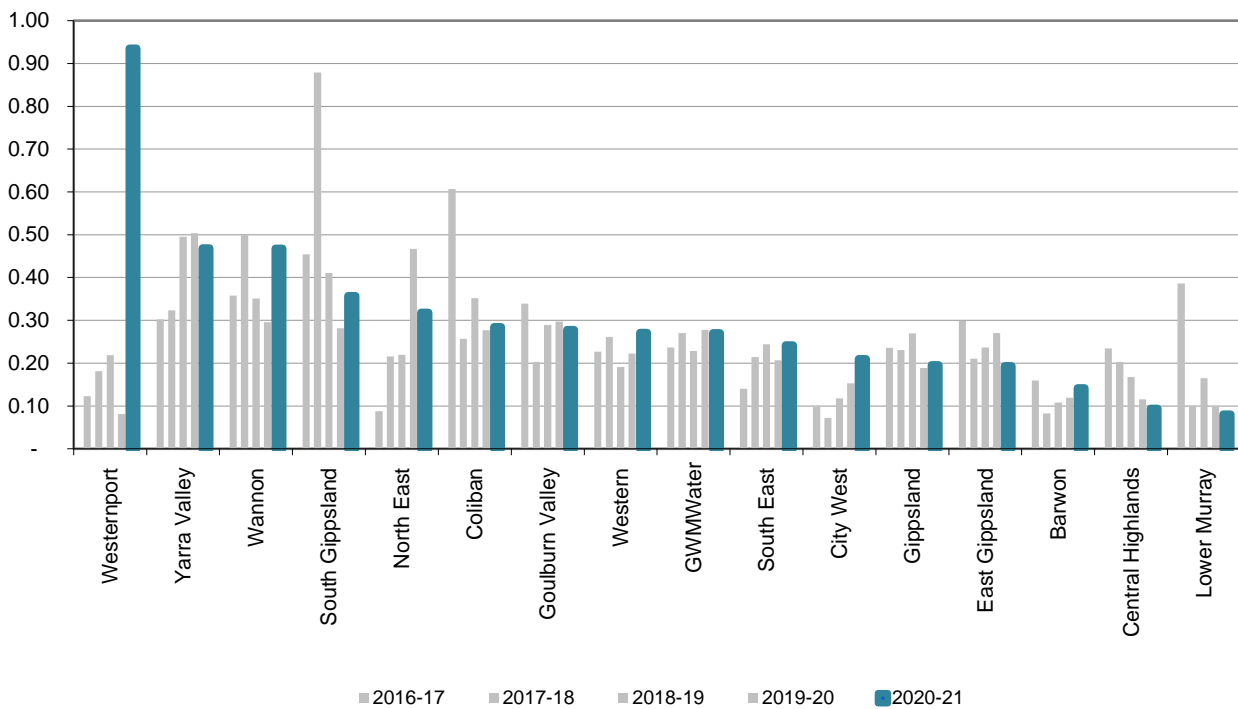


The rate of complaints made to water businesses has varied year by year in Victoria. In regional Victoria the complaint rate has come down from a peak in 2005-6 to below the metropolitan rate. In recent years the metropolitan rate has trended upward.

## 2.5. Water quality complaints made to water businesses

The number of water quality complaints is a measure of customer satisfaction with the colour, taste and odour of water supplied. Figure 2.8 shows the number of water quality complaints received by each water business per 100 customers across five years

**Figure 2.8** Water quality complaints made to water businesses (per 100 customers)



### Snapshot (water quality complaints, per 100 customers)

Statewide average		5.5%	Metro average		4.0%	Regional average		11.6%
2020-21	0.30	↑	2020-21	0.32	↑	2020-21	0.24	↑
2019-20	0.29		2019-20	0.31		2019-20	0.22	

### Key observations

- A total of 8,857 water quality complaints were made to water businesses across the state in 2020–21, an increase of 642 on the year before. This equates to 0.30 complaints made per 100 customers and is slightly above last year’s complaint rate of 0.29.
- In Melbourne, complaints per 100 customers increased slightly by 4 per cent. City West Water reported a 38 per cent rise in its complaint rate while South East Water reported a 17 per cent increase. Yarra Valley Water’s complaint rate decreased by 7 per cent.

- In regional Victoria there was an 11.6 per cent rise in complaints per 100 customers with seven businesses reporting an increase. The remaining six reported a decrease.
- Across the state Westernport Water reported the highest complaint rate, and largest increase in its complaint rate, which rose from 0.08 complaints in 2019–20 to 0.93 complaints per 100 customers in 2020–21, an increase of more than 11 fold.
  - Westernport Water linked this increase to a water quality event in November and December 2020 which developed due to a period of low consumption across the network, followed by a sharp increase in demand. The increased flowrate loosened sediment within the water main, impacting water supply colour and odour. The business took corrective actions, including flushing water pipes, air scouring, inspecting and cleaning treated water storages, additional field sampling and analysis, and responding to complaints.
- North East Water reported the largest decrease in water quality complaint rate, falling by 0.15 complaints to 0.32 complaints per 100 customers in 2020–21. Lower Murray Water had the lowest overall complaint rate of 0.08 per 100 customers.



## 3. Water and sewer network reliability

This chapter looks at reliability of the water and sewer networks, by exploring how often customers are without a water supply and how often sewer blockages and spills impact customers. Our measures only consider the pipe network and pumps under the control of the water businesses and exclude the private property connections managed by customers.

### 3.1. 2020-21 at a glance

Water networks were reliable with a reduction in average customer minutes off supply.

Sewer service reliability increased slightly across the state, with a decline in sewer blockages and spills.

#### Melbourne boil water notice in late August 2020

In late August 2020, a power outage at Melbourne Water's Silvan Reservoir resulted in undisinfected water entering the metropolitan supply system. This led to Yarra Valley Water and South East Water customers across 98 Melbourne suburbs being issued with a precautionary boil water notice that spanned three days.

We are working with the relevant water businesses and the Department of Health to understand the customer impacts and any subsequent actions required following this event.

We note that this event is not captured by our current definition for our minutes off supply indicator because water was still running from the taps, even though the advice was not to drink it. We are considering changes to this indicator so it better captures such events in future performance reporting.

## 3.2. Water service – minutes off supply

Minutes off supply is a measure of how many minutes on average a customer for each water business was without their water supply during a year. This measure only looks at interruptions to water mains and excludes smaller ancillary pipelines or private connections.

Various factors affect average minutes off supply, including the number of interruptions, the duration of each interruption and the number of customers affected by each interruption. Whether interruptions are planned or unplanned also gives insight into the stability and reliability of the network. Figure 3.1 shows the average time in minutes a customer had their water supply interrupted for each water business across the last five years.

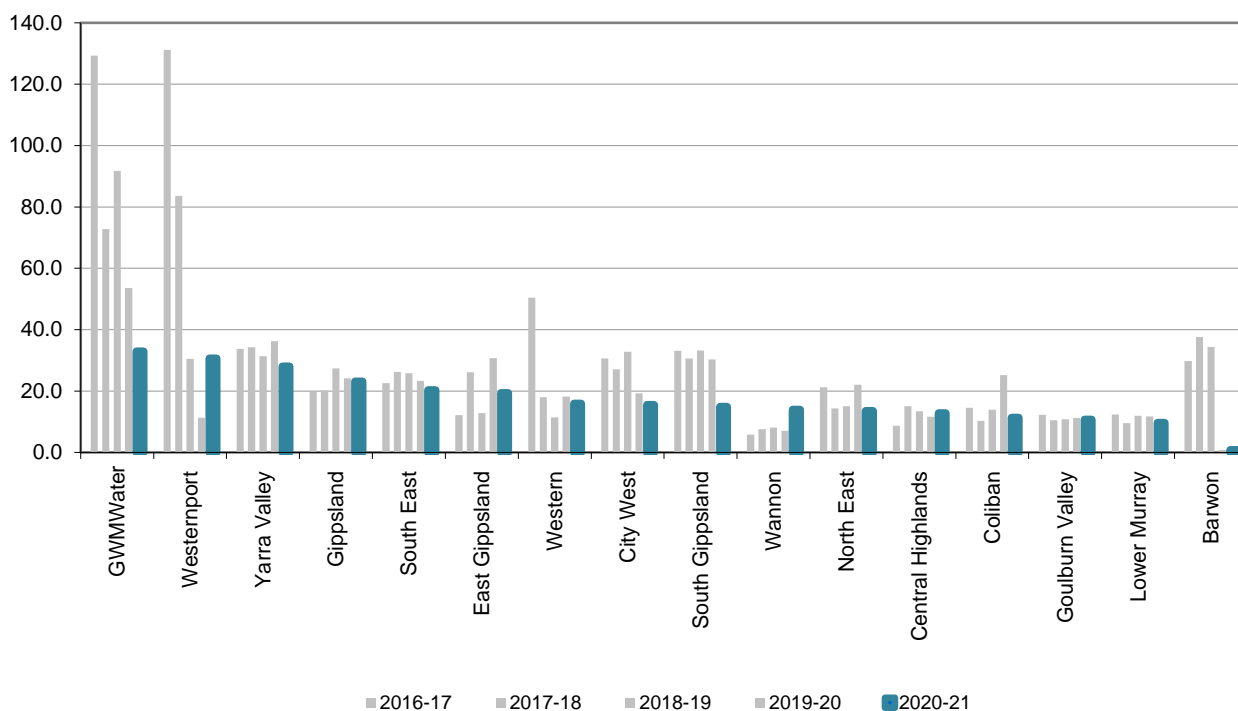
### Types of interruptions – planned and unplanned

A planned interruption occurs when a customer has received at least two days' notice of an interruption to their water service. An unplanned interruption occurs when this notice was not given, or the duration of a planned interruption exceeded the time estimated.

The duration of supply interruptions can be greatly affected by factors including the size and location of the pipeline, access to the worksite, the availability of work crews to attend, and the nature of the repair required.



**Figure 3.1 Average minutes off water supply per customer**



**Snapshot (average customer minutes off supply)**

Statewide average		-19.6%	Metro average		-19.3%	Regional average		-20.6%
2020-21	20	↓	2020-21	22	↓	2020-21	13	↓
2019-20	24		2019-20	28		2019-20	16	

**Key observations**

- Across Victoria, the average customer minutes off supply decreased by 20 per cent from 24 minutes in 2019–20 to 20 minutes in 2020–21.
- In Melbourne, the average customer minutes off supply decreased by 19 per cent from 28 minutes to 22 minutes.
  - We note that the consequences of the power outage at Melbourne Water’s Silvan Reservoir in August 2020 that resulted in undisinfected water entering the metropolitan supply system is not captured by this indicator, as discussed in the box above. This figure would be vastly higher if it included the three days that customers of South East Water and Yarra Valley Water were required to boil their water across 98 Melbourne suburbs.
- Regional Victoria saw a 21 per cent decrease in customer minutes off supply, from 16 minutes to 13 minutes.

- GWMWater again reported the highest average customer minutes off supply at 33 minutes, however this is a marked decrease compared to previous years. GWMWater attributes this reduction to fewer shutdowns and a focus on ensuring customers' water supply.
- Westernport Water went from having one of the lowest average customer minutes off supply in 2019–20 at 11 minutes to having the second highest average customer minutes of supply at 31 minutes (but this was still well below its historical levels).
  - Westernport Water advised the large increase in average customer minutes off supply was due to reactive air-scouring after a water quality event in December 2020 and January 2021. Additionally, the average minutes off supply in 2019-20 was much lower than in previous years because of a pause on non-essential planned shutdowns from March to June 2020 during the first wave of the coronavirus pandemic.
- Barwon Water again had the lowest average customer minutes off supply, citing a combination of reasons: an increased focus on improving restoration times and fewer planned shutdowns for developer works due to the pandemic impact.

### 3.4. Sewerage service – sewer blockages

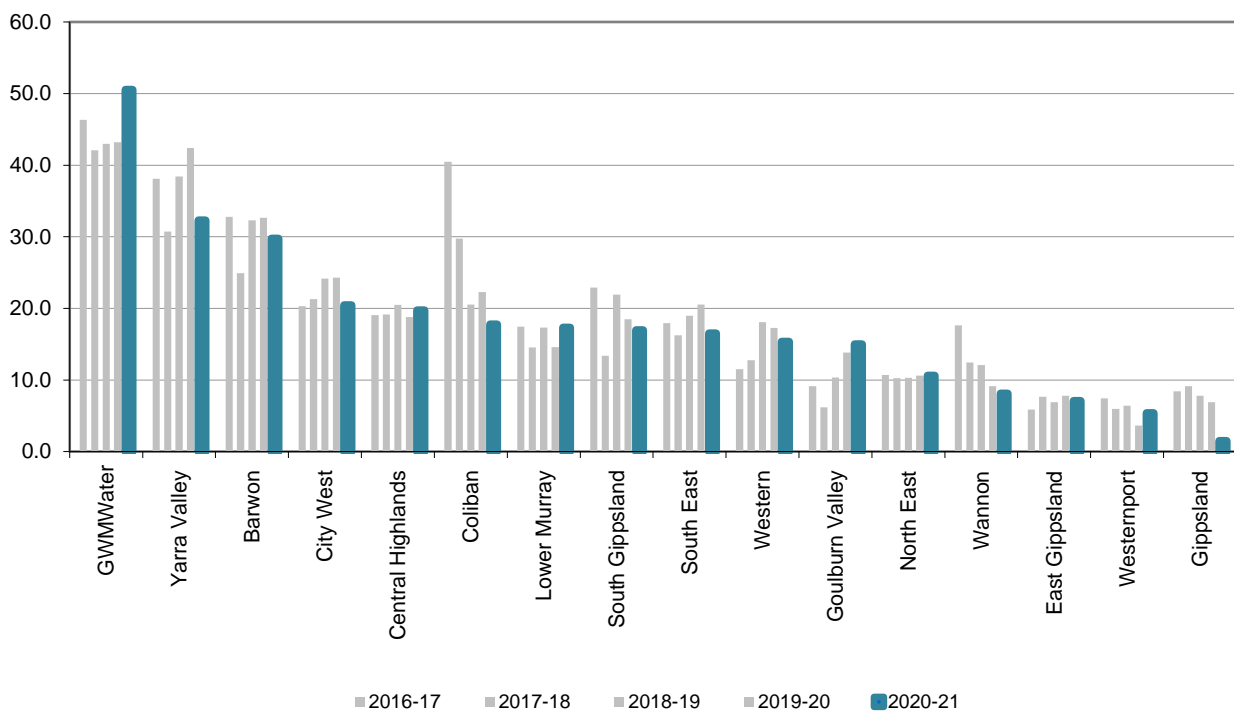
Sewer networks consist of:

- trunk and reticulation mains (core infrastructure involving large pipes and pumps to transfer sewage to treatment facilities)
- house connection branches and property drains (ancillary smaller infrastructure that transfers sewage from customers to the sewer mains)
- private connections from customers to connection branches or property drains (faults in these are the responsibility of customers).




Figure 3.2 shows the number of sewer blockages reported per 100 kilometres of sewer main for each water business across the last five years.

A sewer blockage is a partial or total obstruction of a sewer main that impedes sewage flow and does not include blockages in the ancillary infrastructure or private connections.

**Figure 3.2 Sewer blockages per 100 kilometres of sewer main**



## Snapshot (Sewer blockages per 100 kilometres of sewer main)

Statewide average		-17.4%	Metro average		-21.5%	Regional average		-7.2%
2020-21	21.1		2020-21	23.7		2020-21	17.2	
2019-20	25.6		2019-20	30.2		2019-20	18.5	

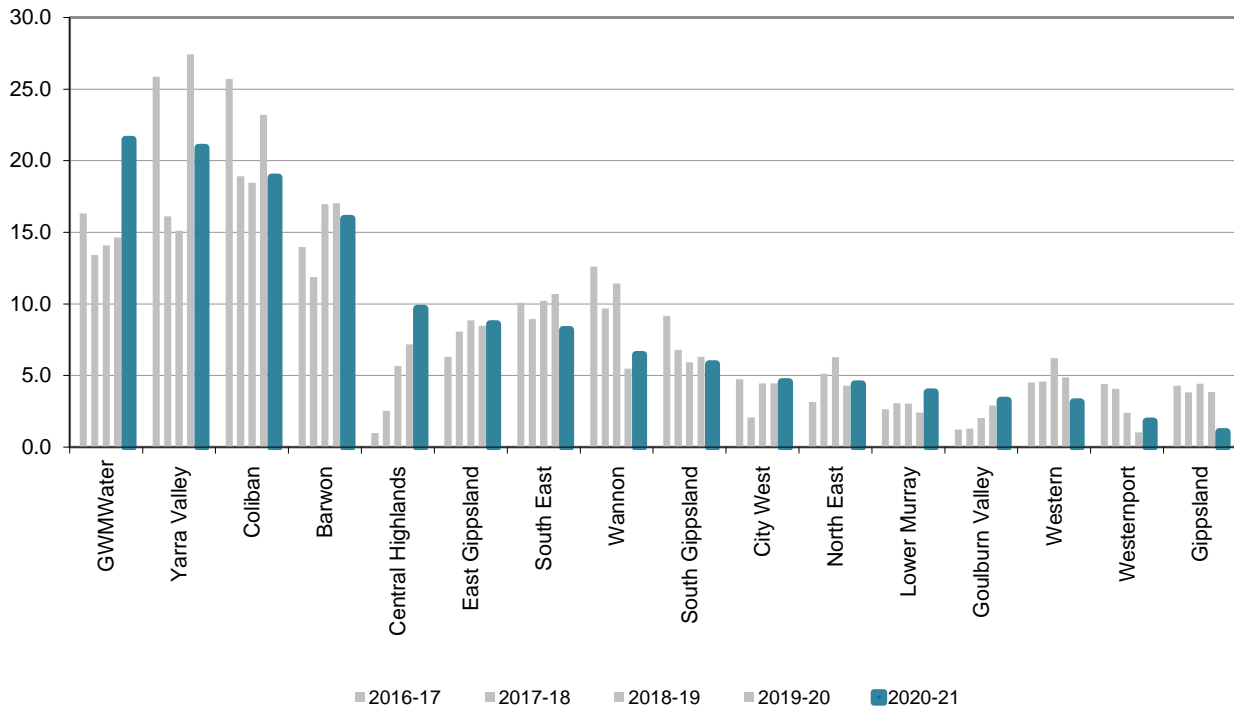
### Key observations

- Statewide the rate of sewer blockages decreased by 17 per cent, following a 5 per cent increase in 2019–20.
- In Melbourne, there was a 21 per cent decrease with 24 blockages on average per 100 kilometres of sewer main. This follows a five-year high rate of 30 blockages per 100 kilometres of sewer mains in 2019–20. Correspondingly, all three metropolitan businesses reported lower sewer blockage rates in 2020–21.
- In regional Victoria the blockage rate was 17 blockages per 100 kilometres of sewer mains, down from 19 blockages per 100 kilometres of sewer mains the previous year.
- GWMWater reported the highest rate of sewer blockages with 51 blockages per 100 kilometres of sewer mains and has had the highest rate since 2016–17.
- Gippsland Water reported the lowest sewerage blockage rate and was one of the most improved businesses, with 2 blockages per 100 kilometres of sewer main compared to 7 blockages per 100 kilometres in 2019–20.
  - Gippsland water stated the lower blockage rate in 2020–21 was due to a mild summer with fewer high rainfall events and the continued effectiveness of its planned preventative sewer cleaning program.

### 3.6. Sewerage service – containment of sewer spills

Spills are a failure to contain sewage within the core sewer infrastructure. Figure 3.3 shows the number of sewer spills reported per 100 kilometres of sewer main for each water business across five years.

**Figure 3.3 Sewer spills per 100 kilometres of sewer main**



#### Snapshot (Sewer spills per 100 kilometres of sewer main)

Statewide average		-17.9%	Metro average		-22.5%	Regional average		-5.8%
2020-21	11.2	↓	2020-21	12.7	↓	2020-21	9.1	↓
2019-20	13.7		2019-20	16.4		2019-20	9.6	

#### Key observations

- The statewide sewer spill rate decreased by 18 per cent, from 14 sewer spills per 100 kilometres of sewer main in 2019–20 to 11 sewer spills per 100 kilometres in 2020–21.
- Despite this overall decrease, more than half of all businesses reported higher sewer spill rates compared to the previous year.
- GWMWater reported the highest sewer spill rate and had one of the highest increases with 21 sewer spills per 100 kilometres of sewer main in 2020–21 up from 15 in 2019–20.
  - GWMWater stated that it was addressing this high sewer spill rate with its renewal program.

- Gippsland Water had the lowest sewer spill rate and the largest percentage decrease with 1 sewer spill per 100 kilometres of sewer main compared to 4 spills the previous year.

### **Containing spills within five hours**

- Eight businesses – City West Water, Coliban Water, East Gippsland Water, Gippsland Water, GMMWater, Lower Murray Water, South Gippsland Water and Westernport Water – contained 100 per cent of sewer spills within five hours in 2020–21. This is up from 7 businesses in the previous year.
- Two businesses – South East Water and Yarra Valley Water – contained close to 100 per cent of spills within five hours, containing 99.8 per cent within five hours.
- The percentage of spills contained within five hours for the remaining six businesses were:
  - Barwon Water — 98.4 per cent, down from 99.6 per cent in 2019–20
  - North East Water — 98.2 per cent, down from 100 per cent in 2019–20
  - Central Highlands Water — 96.6 per cent, down from 97.2 per cent in 2019–20
  - Western Water — 95.9 per cent, down from 98.6 per cent in 2019–20
  - Goulburn Valley Water — 95.5 per cent, down from 97.4 per cent in 2019–20
  - Wannon Water — 95.2 per cent, down from 100 per cent in 2019–20.

## 4. How much water is recycled

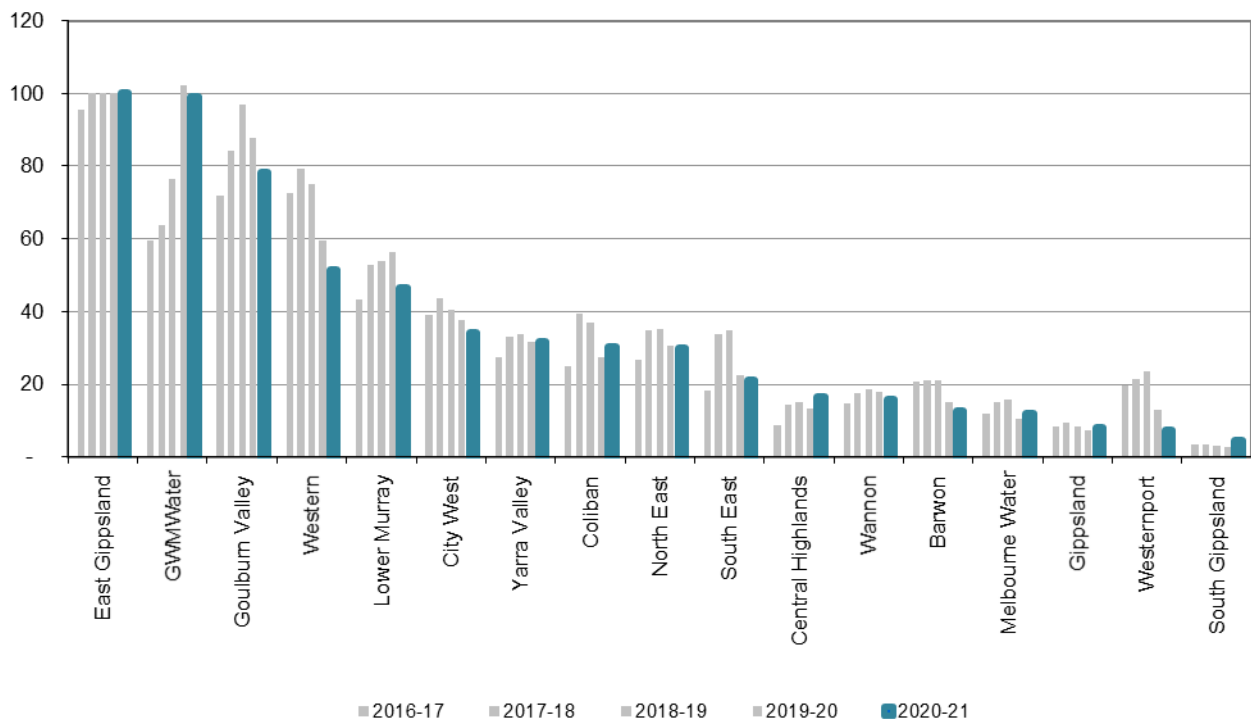
### 4.1. Recycled water – effluent treatment and reuse

Wastewater consists of residential and non-residential sewage, trade waste from commercial and industrial customers, and stormwater that reaches the sewer network. The wastewater treatment plants produce an effluent stream that, if unused or not recycled, is normally discharged to the environment.




Recycled water is generally used on turf farms, dairy farms, recreational lands (such as parks and golf courses) and is used in some industrial processes and for irrigation. Some businesses operate ‘third pipe’ recycled water supply systems to their customers, for non-potable uses such as watering the garden and flushing the toilet. Recycled water can also be used for beneficial environmental outcomes, such as maintaining wetlands.

Figure 4.1 shows the proportion of water recycled as a percentage of the volume of effluent produced by each water business across the last five years.

**Figure 4.1** Recycled water used as a percentage of effluent volume produced



## Snapshot (recycled water, percentage of effluent produced)

State Average		5.2%	Metro Average		9.3%	Regional Average		-1.9%
2020-21	17		2020-21	13		2020-21	27	
2019-20	16		2019-20	12		2019-20	27	

### Key observations

- Across the state, total effluent production increased slightly by one per cent (4,582 megalitres) to 512,681 megalitres. This follows a 10 per cent (47,176 megalitres) increase the year before.
- Statewide 17 per cent of effluent produced was reused as recycled water on average. This is up from 16 per cent in 2019–20 and reflects an increase in metropolitan Victoria, while in regional Victoria there was a slight decrease.
- Melbourne Water, Yarra Valley Water, Central Highlands Water, Coliban Water, Gippsland Water and South Gippsland Water were the only businesses to reuse a higher proportion of the effluent they produced in 2020–21 than they had in 2019–20.
- East Gippsland Water reused 100 per cent of the effluent it produced, as it has done for the previous three years. This equated to delivering 2,969 megalitres of recycled water to its customers in 2020–21.
- Only East Gippsland Water, GWMWater, Goulburn Valley Water and Western Water reused more than 50 per cent of the effluent they produced.
- South Gippsland Water continues to report the lowest proportion of recycled water usage. This year it reused 4 per cent of the effluent it produced.





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