

# YEAR IN REVIEW

## HIGHLIGHTS AT A GLANCE


**35,443**   
*new customers signed up to e-billing*

**100,000**   
*people transitioned to SEQ Water Grid in Petrie Water Supply Scheme*

**2**   
*new community artwork murals on water towers*

**20,149**   
*water meters replaced*

**6.1**   
*out of 10 customer satisfaction rating*

**\$138.9M**   
*invested in water supply and sewerage infrastructure*

# KEY FACTS FOR 2017-18

## THE 2017-18 YEAR SAW UNITYWATER CONTINUE THE DELIVERY OF QUALITY WATER AND SEWERAGE SUPPLY SERVICES TO OUR CUSTOMERS.

- › We operate and maintain \$3.4 billion worth of water and sewerage supply assets.
- › We supplied more than 777,094 people with water and sewerage services across 5223 square kilometres.
- › Our customer satisfaction rating averaged 6.1 out of 10.
- › Our customers include 303,819 residential properties and 17,319 commercial and industrial enterprises.
- › Our investment in infrastructure was \$30.6 million in water supply and \$108.3 million in sewerage.

### WATER



Bacteriological compliance with  
*Public Health Regulation 2005*

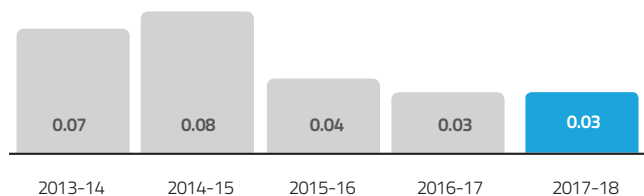
**TARGET >98%**

#### Drinking water quality complaints

per 1000 connected properties

**TARGET <10**

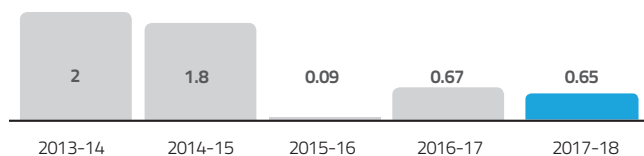
INDUSTRY MEDIAN 2016-17 = 1.0\*



#### Unplanned water supply interruptions

per 100 km of main

**TARGET <10**

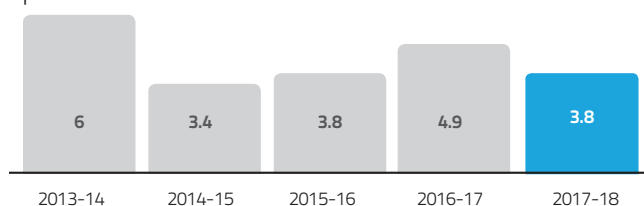


#### Water main breaks and leaks

per 100 km of mains

**TARGET <25**

INDUSTRY MEDIAN 2016-17 = 19.6\*



\*Australian utilities with 100,000+ connected properties (National Performance Report 2016-17 Urban Water Utilities)

# KEY FACTS FOR 2017-18

## SEWERAGE

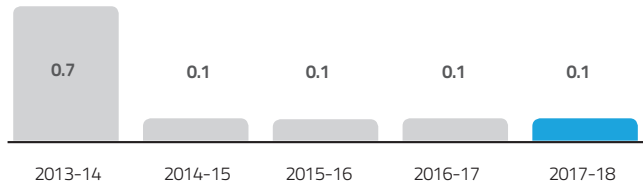


Sewage treatment plants met all licence requirements

### Odour complaints

per 1000 connected sewerage properties

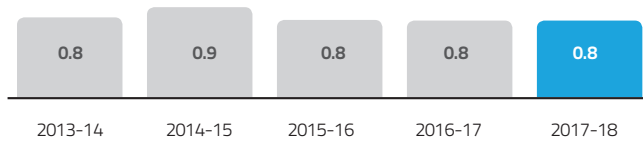
TARGET <3



### Dry weather sewage overflows

per 100 km of main

TARGET <2.2

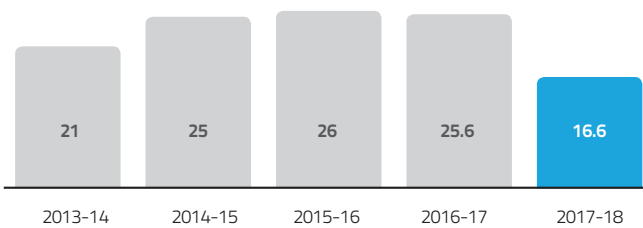


### Sewer main breaks and chokes

per 100 km of mains

TARGET <40

INDUSTRY MEDIAN 2016-17 = 25.9\*



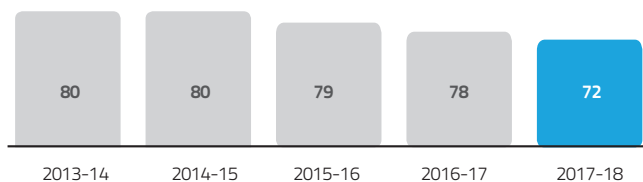
## CUSTOMER SERVICE



### Calls answered by an operator

within 30 seconds (%)

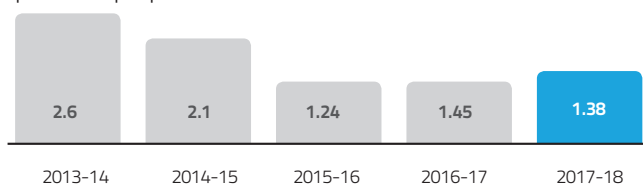
INDUSTRY MEDIAN 2016-17 = 69\*



### Water and sewerage complaints

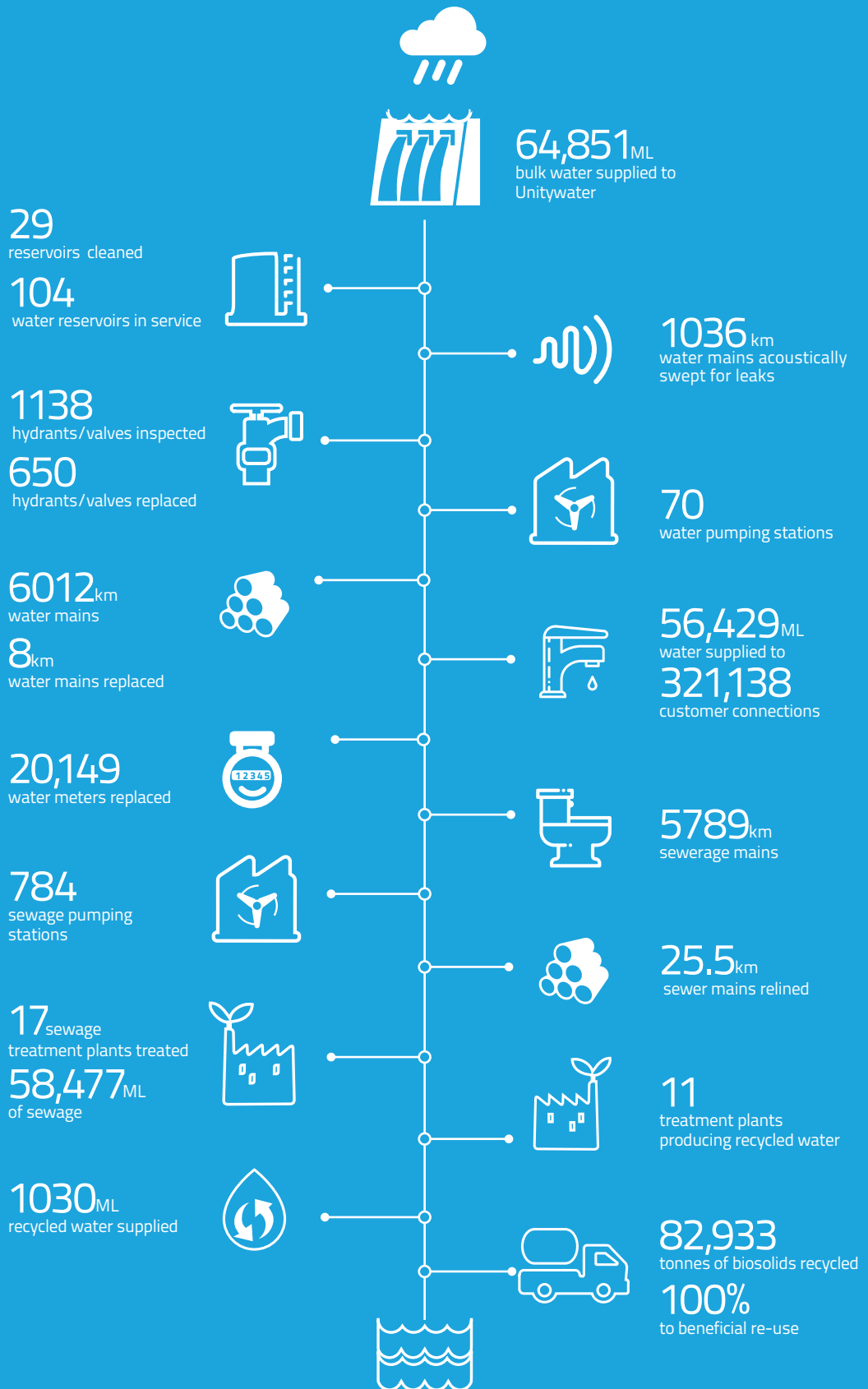
per 1000 properties

INDUSTRY MEDIAN 2016-17 = 3.4



\*Australian utilities with 100,000+ connected properties (National Performance Report 2016-17 Urban Water Utilities)

# KEY FACTS FOR 2017-18



# ENHANCING CUSTOMER VALUE

## PROVIDING EFFECTIVE, LOW COST CUSTOMER SERVICE

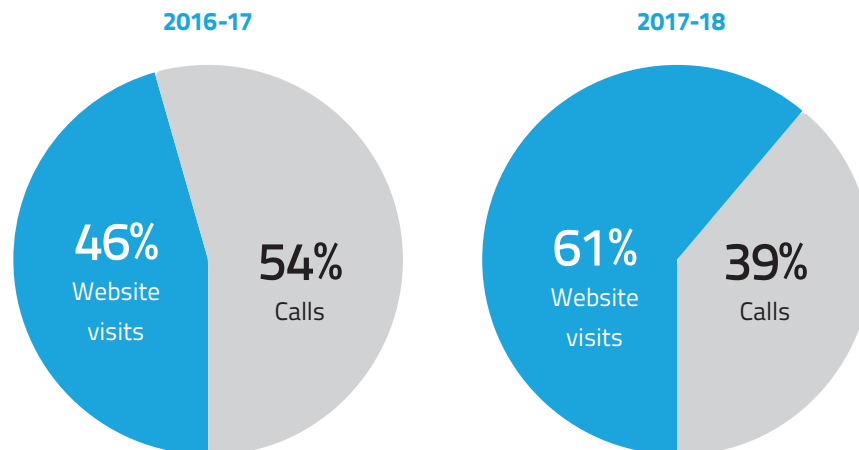
### NEW WEBSITE

In mid-August Unitywater went live with our new website, which had been completely revamped to improve our customers' experience of dealing with us. Featuring a bright, contemporary and engaging design and a user-centric layout, the new site is easy to navigate and provides an improved user experience for the large number of customers who visit us online using mobiles and tablets.

A powerful search function makes for easier navigation, while opportunities for customers to resolve their query online themselves are now much greater. Unitywater's customers are increasingly using the website as their first port of call.

The improvements have seen the website's usability, as measured by our customer ease score, increase from 4.1 out of 7 for the old version to a score of 5.8 in June for the new.

**After the launch of the new website, the average number of customer calls reduced and website visits rose. Unitywater customers are increasingly using the website as their first port of call.**



## NEW WEBSITE BRINGS NEW SERVICES ONLINE

Our new website has enabled Unitywater to improve customer service and convenience in a number of areas while reducing the demand on our administrative resources:

› **Water outages map**

A map that shows real-time information about planned and unplanned works, wherever they are happening, has proved very popular, receiving 29,418 hits since go-live in August.

› **Self-serve infrastructure maps**

Our customers and partners are now enjoying enhanced geographic information system (GIS) features available via our new website. Anyone can now access maps of our water and sewerage infrastructure – from reservoirs and mains, to pumping stations and meters.

› **Online forms**

Many of our forms that enable customers to change their services and accounts are now available directly through our website. Instead of downloading, printing, completing and sending forms, they can be completed on the screen and uploaded to Unitywater.

› **Webchat**

The upgrade of the Contact Centre's customer platform also means that customers can use webchat to resolve their queries.

› **A water quality search**

Customers can enter their postcode and check the water quality in their suburb.

› **Pool and spa guide**

A pool and spa fill guide shows estimated fill and top-up costs for common pools and spas.

› **Feedback**

A new feedback feature allowing customers the ability to quickly rate pages and provide feedback.

# ENHANCING CUSTOMER VALUE

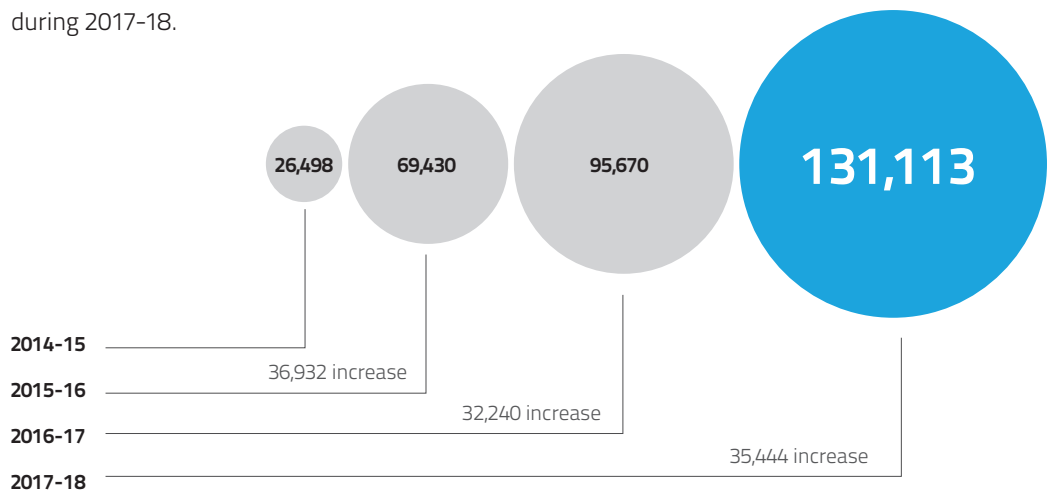
## EMBRACING DIGITAL CONVENIENCE

Customers are continuing the trend of dealing with us digitally.



### Customers on e-billing

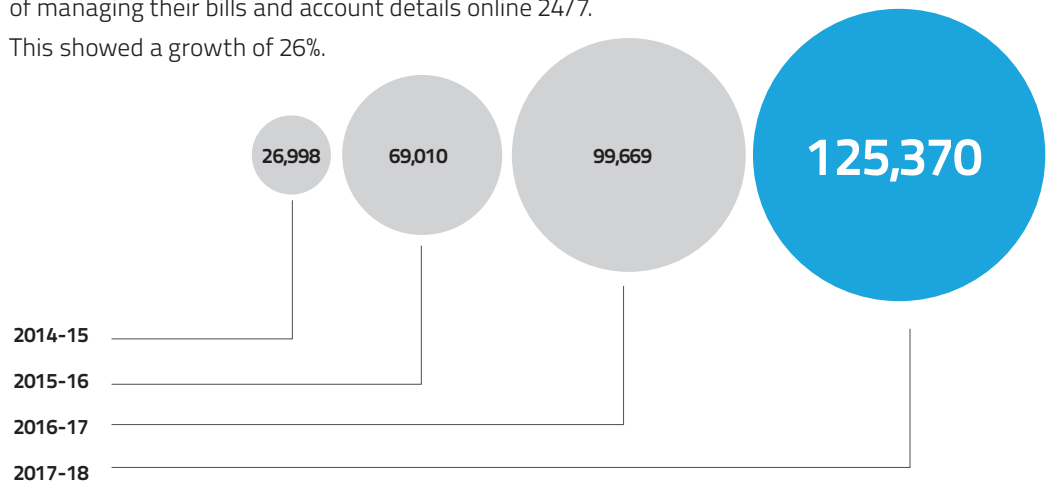
The number of customers choosing to receive their bills by email or SMS grew by 35,444 or 37% during 2017-18.



### Customers on My Account

During the year another 25,701 customers signed up for My Account, preferring the convenience of managing their bills and account details online 24/7.

This showed a growth of 26%.



### DIGITAL METERING TRIAL

Unitywater's trial of digital metering technology has continued throughout the year at 1000 residential and commercial properties in Noosa and Clontarf. With the creation of the customer dashboard, customers can register to view their water consumption online and receive leak alerts.

### METER REPLACEMENT PROGRAM

During the year Unitywater replaced 20,149 water meters at our customers' properties. The meter replacement program identifies the most economic point at which a meter should be changed, balancing any revenue loss from the old meter against the capital cost of replacement, over the service life of the meter. The program also helps us to identify lost water so we can work to save the revenue it would otherwise bring.

### CUSTOMER EXPERIENCE PROGRAM

Unitywater uses customer feedback to continuously improve the service interactions with our customers and evaluate the impact of improvements that we make. Learnings from feedback about what customers value from these interactions have been incorporated into a new Customer at the Heart Training Program rolled out to 104 staff members during the year. This TAFE-accredited interactive training program has been designed to embed a customer-centric culture across Unitywater. It provides frontline and back-office staff with the skills and support needed to understand how they impact, and can improve, the customer experience.





# ENHANCING CUSTOMER VALUE

## BEING RECOGNISED BY OUR CUSTOMERS FOR THE VALUE OUR SERVICES PROVIDE



To see a video of one of our clean-up events, go to [bit.ly/plasticfreebeach](https://bit.ly/plasticfreebeach)

### BACK TO TAP PROGRAM

Unitywater's Back to Tap program went from strength to strength during the year, aiming to reduce consumption of single use plastic water bottles. Two custom-made water refill caravans provided free chilled water on tap at 209 community events and distributed 21,480 reusable water bottles to community members. In total, the Back to Tap campaign sponsored 17 environmental clean-up events across the service region and sponsored three major events to become single-use plastic water bottle free. A trial permanent water fill station was installed at Ocean Street, Maroochydore prior to a planned rollout of the units at selected council areas and sporting facilities.

### CUSTOMER VALUE RESEARCH PROGRAM

Throughout the year, Unitywater has continued to expand our voice-of-the-customer program. Through it, customers can tell us what they value, what their experience of our service delivery is, and where they would like us to focus our improvement efforts. Customer feedback surveys were expanded to cover four additional customer touch points with the business, bringing the total to 10. Each month we sent an average of 4000 invitations to customers to provide us with feedback and we received approximately 550 responses.

### MORE CONVENIENT IN-HOUSE CUSTOMER CONTACT

Early in the financial year the Customer Contact Centre hours of opening were extended and after-hours service was brought back in-house to the Operations Centre, providing our customers with even more convenient service. Customer service officers are available to respond to customers queries from 7am to 6pm during weekdays, while the after hours and emergency service remains available 24/7. The Customer Contact Centre, the Operations Centre and reception desks all upgraded to a new customer management platform, further streamlining the service we provide.



To see a video of the Bribie Island murals, go to [bit.ly/woorimwatertower](http://bit.ly/woorimwatertower)

## BEING VALUED BY OUR COMMUNITY

### BRIBIE ISLAND MURALS

Two water towers on Bribie Island are the latest prominent infrastructure to be painted with large scale murals as part of our Community Artwork Program. The Bribie Island community voted for their favourite designs from several alternatives, the creation of which had been guided by input from local residents and businesses. The community's choice for the Woorim tower was completed in March and Bongaree completed in June.

### YANDINA CREEK WETLANDS LAUNCHED

Environment Minister Steven Miles officially opened Yandina Creek Wetlands in November to celebrate this green infrastructure solution. Originally cane land that had been drained with channels and tidal gates, the 190-hectare property was purchased as an alternative to upgrading local sewage treatment plants. In May we opened a number of tidal gates to allow inundation to start the creation of the wetland ecosystem. The wetlands will capture nutrients from Yandina Creek and Maroochy River, offsetting against those entering the river in treated effluent. Unitywater has partnered with Birdlife Southern Queensland, University of Sunshine Coast and Griffith University to study the property with the aim of improving our understanding of the broader environmental benefits of the wetlands.



### MOODLU QUARRY HOME TO COMMUNITY GROUPS

Unitywater has provided the Moodlu and District Men's Shed with a space to form and grow their group on the outskirts of Caboolture. The site, situated at the old Moodlu quarry, is a great place for members of the community to come together. We also granted a model marine club access to the site. These sponsorship arrangements keep our community groups strong and enhance the lives of people living in our region.

### CONTINUED SUPPORT TO NOOSA MEN'S SHED

The Noosa Men's Shed continues to flourish in its space on Unitywater's land. The shed has expanded its facilities and now has around 150 members. We are pleased to continue our support of this community group which began in 2014 with our help.

# IMPROVING SUSTAINABILITY

## ENCOURAGING AND SUPPORTING INNOVATION

### A CULTURE OF INNOVATION

Unitywater has continued to foster a culture of innovation through our online innovation platform. Staff at all levels of the organisation can register and collaborate on ideas and pitch them to executives for support and funding. During the year 246 staff contributed to more than 291 ideas. Some of the ideas that have been trialled and implemented include:

- › trialling innovative methods to improve the nutrient composition of wetlands, minimising long-term wetland reset costs
- › using machine learning to forecast sewage pump station overflows in wet weather
- › trialling drone inspections of water reservoirs, reducing the need for manual, high-risk inspections
- › leveraging geographic information system mapping technology to enhance the level and value of customer information on our website's outage map.

### PIPE REHABILITATION RESEARCH PROJECT

In March, Unitywater helped found a \$24 million research project aimed at improving rehabilitation technologies to increase the service life of water supply and sewer pipes. The Water Services Association of Australia is coordinating the project, bringing together 11 Australian water authorities, three Australian universities, 13 companies working in this field and three international research organisations. The three-year project will see the development of new standards for pipe rehabilitation, materials testing of a variety of proprietary lining materials, new robotics to assess pipe condition, sensors built into liners to monitor their gradual degradation, and training and education for project participants.

## DEVELOPING NEW PRODUCTS AND SERVICES

### CONCEALED LEAK INSURANCE PRODUCTS

Unitywater customers with stand-alone residential properties can now access Concealed Leak Protection Insurance products, thanks to our partnership with Allianz Global Assist. Customers can choose from three products, with the basic policy costing \$35 per annum. Unitywater is the referral partner promoting the products and directs enquiries to Allianz.

**WATCH OUT** for the  
*Leaksters*

### SMALL COUNCILS BENEFIT FROM LEAK EXPERTISE

Gympie Regional Council is our first customer to take up a water leak detection and management service for small water utilities developed by Unitywater and TaKaDu. TaKaDu is a leading international analytics software system that can determine concealed leaks in a water pipes. Through our control room in Maroochydore, Unitywater provides the event management services to monitor other utilities' water networks in real time, saving thousands of dollars each year in undetected leaks.

## GENERATING NEW REVENUE STREAMS BY LEVERAGING OUR ASSETS AND CORE CAPABILITIES

### LAND PORTFOLIO STRATEGY

Following the development of a strategy to analyse our land portfolio, Unitywater has established a process to generate a return on under-utilised land assets. Achieving ongoing revenue from land assets will support our goal of keeping our prices low for our customers. As at the end of the year we are pursuing development projects on surplus land at Margate, Buderim and Brendale.

### FORMER SEWAGE TREATMENT PLANT LEASED

During the year we entered into a commercial arrangement with a local earthmoving business, leasing to them part of our disused sewage treatment plant site at Yandina. The business operators now look after the site for us and pay a commercial rent, which means lower costs for our customers.

### LABORATORY SERVICES

Unitywater has secured Moreton Bay Regional Council as a customer of our laboratory testing services. These include quarterly sampling and analysis of groundwater bores and monthly monitoring of an irrigation tank for Samford Parklands Football Precinct.

# PURSuing EFFICIENCY

## IMPROVING SYSTEMS AND PROCESSES AND USE OF TECHNOLOGY

### ALIGNING ASSET MANAGEMENT WITH ISO55000

In early August Unitywater finalised our asset management improvement plan which outlines how we will achieve alignment with the International Standard in Asset Management ISO55000. We are on track with the plan and have achieved the key outcomes of developing a revised asset management policy, strategic asset management plan and system framework documentation. A competency framework will ensure all roles consider asset management and a range of communication mechanisms have been used to build awareness for asset management across the business.

### PROCESS IMPROVEMENT INITIATIVES

During this year we ran six process improvement initiatives to analyse and improve cross-functional processes across Unitywater: infrastructure charges, sub-metering, backflow devices, private works, dispatch, and capital project requests. We focused on increasing quality, improving efficiency and reducing duplication and rework. Unitywater's pursuit of efficiency through process improvement resulted in an Honorary Mention at the OPEX Australia 2017 Awards.

### FINANCE SYSTEMS OPTIMISATION PROJECT

Throughout the year Unitywater delivered automated capability to our staff through improved finance and procurement technology. We have moved to a process that semi-automates the creation, management, evaluation and awarding of tenders and have moved to a cloud-based finance system. Other business improvements that will be delivered by the project include creating a new financial fixed asset register and rolling out a redesigned chart of accounts. The project will deliver significant efficiencies to our business operations and reporting.

### DATA INSIGHTS INCREASE EFFICIENCIES

At Unitywater we collect data on assets, water quality samples, billing and meter reading and asset maintenance to help us provide low cost water and sewerage services to our customers. Business Intelligence is driving insight to optimise our maintenance programs and processes while ensuring customer services are maintained at a high level. Through Business Intelligence tools we have already:

- eliminated over 2000 hours of manual reporting effort
- improved the reliability of our water and sewerage networks through automating how we prioritise the renewal of our assets
- decreased the average time our customers are out of water by 40 minutes.



## UNITYWATER WINS 2017 AUSTRALIAN TRENCHLESS PROJECT OF THE YEAR

Unitywater won the Australian 'Project of the Year – New Installation' award for an emergency sewerage project that saw a 350-metre pipeline installed under Noosa River in a highly sensitive environment. The award was presented at the National Australasian Society for Trenchless Technology (ASTT) awards, held at the No-Dig Down Under Conference on the Gold Coast.

## IMPROVING ASSET PERFORMANCE AND UTILISATION

### PETRIE WATER SUPPLY UPGRADE

In April Unitywater and Seqwater completed the transition of 100,000 people in Dakabin, North Lakes, Mango Hill, Kallangur, Murrumba Downs, Griffin, Petrie, Lawnton and Strathpine to the SEQ Water Grid. The upgrade of the Petrie Water Supply Scheme gave residents in these areas a more secure drinking water supply and allowed the decommissioning of the old Petrie Water Treatment Plant. The transition was completed without any impact on our customers. Major infrastructure built by Unitywater as part of the \$16.25 million project included 2.4 kilometre pipeline, a pumping station at Petrie and a new water quality management facility at Boundary Road Reservoir.

### WATER AND SEWER NETWORK RISK MODEL

Through collaboration with Data61 from the CSIRO we have created a failure prediction model for water and sewerage pipes. The model was developed using maintenance and asset data from Unitywater, publicly available information such as weather and demographic data, and machine learning techniques. Its forecasts of future pipe performance allow us to identify areas in the network at highest risk and plan for their renewal and maintenance. The project won the best paper award at QWater in October and, together with Data61, we delivered a paper to the Ozwater conference in May.

# PURSUING EFFICIENCY

## DEVELOPMENT INCENTIVES POLICY

In July Unitywater reduced infrastructure charges in designated areas as an incentive to developers to increase development density. Investment in developed areas that have underutilised water and sewerage infrastructure reduces the cost to serve by spreading the cost of owning and operating the existing infrastructure across a larger number of connections. This policy was developed in conjunction with Moreton Bay Regional Council and Sunshine Coast Council, which have developed similar incentive schemes. Under this policy reductions in infrastructure charges are possible in designated areas of Nambour, Caloundra, Caboolture and along the Strathpine-to-Kippa Ring rail corridor.

## RESOURCE RECOVERY

Unitywater has commenced investigations into making our 17 sewage treatment plants cost neutral. Treating sewage is energy-intensive however the biosolids that result from the treatment process are rich in organic material. By processing them in a digester, biosolids will produce methane-rich biogas. During the year we began construction of a digester for this purpose at the Kawana Sewage Treatment Plant as part of our upgrade of the plant. Other opportunities examined during the year include adding solar facilities to the treatment plants to generate electricity and working with Sunshine Coast Council to investigate collecting waste food from commercial premises for digestion to generate biogas.

## NUTRIENT OFFSETS PROGRAM

Unitywater is seeking to reduce the cost of sewage treatment services by taking a whole-of-catchment approach to protecting the health of our community and our natural waterways. Under our nutrient offsets program, works such as river bank stabilisation, wetland establishment and recycled water irrigation schemes reduce the nutrient load on waterways. The reduction offsets the nutrient load entering the waterways from treated effluent and comes at a lower cost than upgrading a sewage treatment plant. It also provides broader benefits to the community such as boosting the local economy through increased agricultural production.

## ENGAGING WITH THE INTERNATIONAL WATER INDUSTRY

Unitywater has entered into a research and development agreement with international water management company Suez Water with a view to sharing and developing knowledge and achieving innovative project outcomes. We are currently collaborating to investigate innovative solutions for the transformation of the Maroochydore Sewage Treatment Plant into a modern, low impact, energy neutral sewage treatment facility. Suez Water is one of several national and international water and allied technology companies that we are engaging with to identify ways to lower the cost of services, improve public and environmental health and boost economic opportunities, without reducing standards.

### WAMURAN IRRIGATION SCHEME

With the population of the Caboolture River catchment forecast to grow by more than 100,000 people over the next 20-25 years, Unitywater is creating a recycled water irrigation scheme in Wamuran as an alternative method of managing the expected increase in sewage effluent. Instead of upgrading the capacity of our sewage treatment plants, we have chosen to support long-term regional economic growth and development in the catchment with a scheme that will ultimately provide a secure source of water to 2460 hectares of active and potential agriculture. During the year we completed a 4600-metre section of the water supply pipeline within an unused rail corridor and we are currently developing a procurement strategy for the scheme.

## IMPROVING BUSINESS OPERATIONS

### FIVE-YEAR CAPITAL BUDGET TO BETTER SERVE OUR CUSTOMERS

Unitywater plans to maintain and enhance our infrastructure with a five-year capital budget of \$583 million, aimed at prudent and efficient investment that contributes to regional prosperity. Projects of note include the development of the Wamuran Irrigation Scheme (see left) and the nutrient offsets program on page 25, the upgrade of the Kawana Sewage Treatment Plant, and the construction of major external infrastructure associated with new developments on the Sunshine Coast. Proposed expenditure over the five-year period includes \$168 million for the renewal and upgrade of existing sewage treatment plants, \$144 million for network growth projects, \$167 million for network renewal projects, \$62 million for recycled water projects and \$39 million for resource recovery projects.



### UNITYWATER WINS 'LEADING ENERGY USER' AT THE NATIONAL ENERGY EFFICIENCY AWARDS

In November Unitywater won a National Energy Efficiency Award. The outstanding achievements of our Energy Reduction Program meant we were named Leading Energy User for 2017, recognising Unitywater's demonstrated excellence in energy management including performance, leadership and innovation.

It was presented by the Energy Efficiency Council in partnership with the Energy Users Association of Australia.



# PURSUING EFFICIENCY

## ACCREDITATION AND CERTIFICATION SYSTEM

During the year Unitywater implemented an Accreditation and Certification System which enables suitably qualified third parties to assess and certify water supply and sewerage connections to our infrastructure. Applicants were required to undertake 28 hours of training from Unitywater over 14 topics covering a wide range of development and infrastructure issues. More than 50 people have been appointed as registered certifiers for the categories of major connections, minor connections and construction. The system ensures applications for connections proceed faster without losing quality or increasing risk to our customers.

## IMPROVING WORKFORCE PRODUCTIVITY

### ASSET TECHNICAL LIBRARY

During the year our workforce productivity was improved by the creation of a central source-of-truth for all of our asset literature. This includes "As Constructed" drawings, asset condition reports, operation and maintenance manuals, vendor manuals and house drainage plans. This has resulted in a significant reduction in hard copy drawings, making it easier for people across the business to share information.

## WATERCOOLER

### LAUNCH OF NEW INTRANET

Unitywater staff are enjoying the ease of finding what they want, when they want it, on our new intranet that went live at the end of October. Updated content is presented on the new contemporary and engaging 'Watercooler' that is now a hub of interaction and information. The site features the best in user-centric design and an information architecture deliberately tailored to the individual user. New search and navigation functions make finding information fast and straightforward, and interactive workspaces enable online collaboration.

# DEVELOPING OUR PEOPLE

## BUILDING WORKFORCE CAPABILITY AND ENHANCING CULTURE

### WATER INDUSTRY WORKER TRAINING PROGRAM

Unitywater's Water Industry Worker Training Program commenced in early July and has grown to 84 participants at the end of the year. For the first time in Unitywater's history, this included four female Water Industry Workers (WIWs) providing an essential front-line field service to our customers. All WIWs are trained to a nationally recognised industry standard in water operations and are provided with multiple opportunities for career progression across the business.

In December the WIW Training Program was nominated for the 'Best Collaboration with Industry' Award at SkillsTech. Unitywater was also named as one of three finalists for the 'Large Employer of the Year' Category in the 2018 Queensland Training Awards (North Coast Region). The organisation was commended for its training design, development and implementation of the Water Industry Worker Program and the positive outcomes it has had in our business.

### PIPELINES FOR FUTURE CAREERS

Unitywater continued our programs that provide early career experiences and opportunities across a broad range of disciplines throughout our business. Local high school students benefited from our work experience program and university students gained an insight into career pathways through paid vacation work. During the year we launched our first multi-disciplinary development program for eight university graduates who will benefit from rotations across a variety of teams in Unitywater. We also continued our partnership with the University of the Sunshine Coast through the Unitywater Engineering Scholarship. As part of our Reconciliation Action Plan and in partnership with Community Solutions Group Training Organisation, we commenced our Water Industry Traineeship and ongoing work experience placements for Aboriginal or Torres Strait Islander people.

### uVOLUNTEER

Unitywater staff members continue to volunteer their time supporting selected charities and community organisations across our service area. During the year the program was expanded and staff can now choose from 10 umbrella organisations and 22 different volunteer activities.



## RECONCILIATION ACTION PLAN

In May Unitywater launched our first Reconciliation Action Plan (RAP). It is a commitment to building relationships and respect and creating opportunities for Aboriginal and Torres Strait Islander people. The plan was developed by an internal working group following consultation with our Traditional Owners. Key initiatives of the RAP include:

- › provision of ongoing technical support for the Indigenous community of Mornington Island
- › a traineeship program and ongoing work experience placements in Field Services
- › opportunities for indigenous suppliers
- › an Aboriginal community artwork project at our new pump station at Duck Holes Creek
- › cultural competency training
- › meeting room plaques to tell the dreaming stories of our waterways.

## WHITE RIBBON ACCREDITATION

Unitywater's achievement of White Ribbon accreditation is an important milestone in our commitment to the prevention of domestic and family violence. Over a two-year period we have:

- › trained our team members to recognise respond refer
- › implemented education within our contractor induction
- › extended community support to a second refuge in the Moreton Bay Regional Council area.

## A DIVERSE AND INCLUSIVE UNITYWATER

Our Diversity and Inclusion Programs spans a three-year period to June 2018. During that time, our focus has been on breaking down the barriers, improving representation and celebrating the differences in our teams. Our achievements include:

- › women employed in non-traditional roles, especially Field Services
- › endorsement of our first Reconciliation Action Plan
- › celebration of International Women's Day across all Unitywater sites, and involvement in activities in Brisbane and the Sunshine Coast
- › volunteer working groups focused on gender, culture, age, all abilities and LGBTIQ+.

### GENDER PAY EQUITY

The aim of Unitywater's gender equity program in the workplace is to achieve equal outcomes for women and men by aligning people practices, culture and behaviours. This will lead to the:

- equal pay for work of equal or comparable value
- removal of barriers to the full and equal participation of women in the workplace
- access to all occupations, including leadership roles, regardless of gender
- elimination of gender discrimination, including caring responsibilities.

The 2018 review of gender pay equity across all employees indicates females receive 4.5 per cent less total remuneration than males (compared with the Australian national gap of 15.3 per cent and the electricity, gas, water and waste services national gap of 10.5 per cent).

### CRUCIAL CONVERSATIONS LEADERSHIP INVESTMENT

Unitywater wants a culture where all leaders are able to have open, honest and sometimes difficult conversations and to ensure all team members feel safe to communicate and get over obstacles together. The Crucial Conversations program tackles communications head on: it supports leaders and enables team members to feel motivated, committed and connected. Participants are required to attend a two-day program and six one-hour coaching sessions. During the year we conducted 12 programs and 28 coaching days. At the end of June 191 people had attended the program.

## IMPROVING OUR WORKFORCE SAFETY, HEALTH AND WELLBEING

### FLEXIBLE WORKING PRACTICES

Unitywater is rolling out guiding principles around flexible working practices and supporting processes for team members and leaders to start the conversations as we evolve our One Flexible Team approach. We have been challenging our own views about flexibility: what it looks like and how it works for each individual, and testing practical actions to operationalise flexibility across the organisation. At the 2018 Flexible Working Day Awards we won the category of Team Champion.

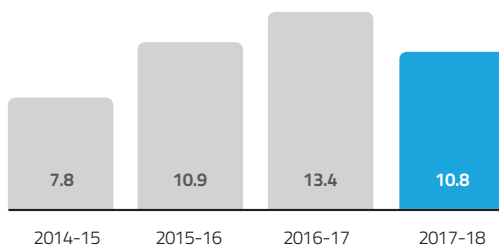
### SUPPORTING HEALTHY MINDS

During the year we developed the Supporting Healthy Minds framework, helping Unitywater to identify psychosocial risks and for our people and to adopt mechanisms to control them. We began with education and awareness sessions in May aimed at specialists and members of our Executive Leadership Team. To support this learning, we have drafted a workplace response kit and are finalising a communication and engagement plan. Unitywater continues to work with the Water Services Association of Australia on industry guidelines and with Workplace Health and Safety Qld and Beyond Blue within local networks on the Sunshine Coast.

## UPGRADE OF SAFETY MANAGEMENT SOFTWARE

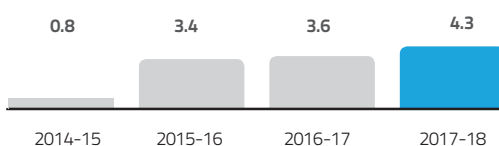
During the year we worked on an upgrade to our safety management reporting software, Intelx. The introduction of a mobile app will support Unitywater's Lifesaver rules and its aim of achieving Zero Harm. It will allow field-based staff to capture hazards, near misses and incidents as they are identified, and complete inspections on site. The upgrade will significantly improve the data captured relating to safety, environment and audit events, allowing for improved reporting and insights. It is planned to be rolled out in September 2018.

### Significant injury frequency rate\*



\*PER MILLION HOURS WORKED.

### Lost time injury frequency rate\*



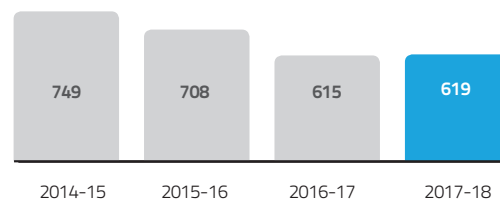
\*PER MILLION HOURS WORKED.

## WORKFORCE PROFILE

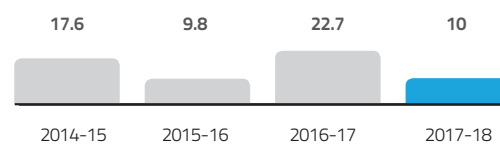
At the end of June 2018, Unitywater employed 619 full-time equivalent staff, with a broad range of professional, paraprofessional, technical and trades skills and competencies.

Secondments or acting in higher duties are a means of providing valuable experience and development opportunities for employees. During the year 165 secondments or elevation to higher duties occurred.

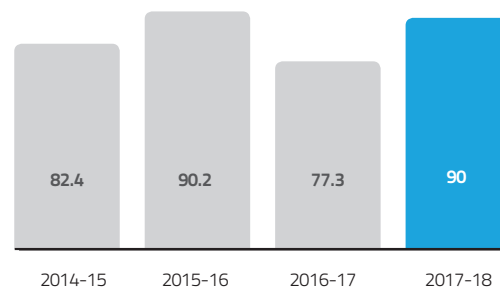
### Full-time equivalent employees



### Permanent separation rate (%)



### Permanent retention rate (%)



## EMPLOYEES OF UNITYWATER

	2017-18				FTE 2017-18	2016-17				FTE 2016-17
	Full time	Part time	Casual	Total		Full time	Part time	Casual	Total	
<b>Gender</b>										
Male	384	6	5	395	390	395	3	3	401	399
Female	190	32	29	251	229	174	30	35	239	216
<b>TOTAL</b>	<b>574</b>	<b>38</b>	<b>34</b>	<b>646</b>	<b>619</b>	<b>569</b>	<b>33</b>	<b>38</b>	<b>640</b>	<b>615</b>
<b>Age</b>										
15-24	19	1	1	21	20	16	1	1	18	17
25-34	81	9	11	101	93	77	9	13	99	91
35-44	149	13	5	167	161	151	11	6	168	161
45-54	173	6	8	187	182	170	6	10	186	181
55-64	144	5	8	157	151	143	6	8	157	152
65+	8	4	1	13	11	12	0	0	12	12
<b>TOTAL</b>	<b>574</b>	<b>38</b>	<b>34</b>	<b>646</b>	<b>619</b>	<b>569</b>	<b>33</b>	<b>38</b>	<b>640</b>	<b>615</b>
<b>Classification</b>										
Executive	6	0	0	6	6	7	0	0	7	7
Senior employee	68	6	0	74	73	67	4	0	71	70
Administration and field staff	498	32	34	564	538	495	29	38	562	538
<b>Total</b>	<b>574</b>	<b>38</b>	<b>34</b>	<b>646</b>	<b>619</b>	<b>569</b>	<b>33</b>	<b>38</b>	<b>640</b>	<b>615</b>

# RISK MANAGEMENT AND ACCOUNTABILITY

## OUR BUSINESS-WIDE APPROACH TO IDENTIFYING, PRIORITISING AND MANAGING RISKS UNDERPINS UNITYWATER'S COMMITMENT TO GOOD MANAGEMENT AND CORPORATE GOVERNANCE.

Unitywater aligns our approach to risk management with the framework outlined in ISO 31000-2018 Risk Management – principles and guidelines.

The Audit and Risk Committee (see page 36 for details) is responsible for assisting the Board to discharge its corporate governance responsibilities to exercise due care, diligence and skill in regard to risk management and auditing.

The Executive Leadership Team is responsible for implementing the treatments required to ensure risks are managed within the Board's directed risk appetite. The team reports to the Audit and Risk Committee on the effectiveness of internal control systems in managing Unitywater's risk profile.

The Audit and Risk Committee observes the terms of the *Audit and Risk Committee Charter* and the *Audit Committee Guidelines: Improving Accountability and Performance* issued by the Queensland Treasury. The Committee's role is to oversee the financial management, internal controls, risk management, compliance and work health and safety. It receives and considers reports and recommendations from the external (Queensland Audit Office) and internal auditors (see right).

Unitywater's Code of Conduct aligns to the ethics principles and ethics values in the *Public Sector Ethics Act 1994*.

Code of Conduct training is provided to all new employees. Existing staff undertake retraining every two years. The next round of Code of Conduct training is proposed to be completed by all staff in the first quarter of 2020.

### INTERNAL AUDIT

Unitywater has established an internal audit function to provide assurance to the Board that Unitywater's financial and operational controls designed to manage the organisation's risks and achieve the entity's objectives are operating in an efficient, effective and ethical manner. The function is undertaken by independent internal auditors who work in accordance with a strategic and annual plan approved by the Audit and Risk Committee, in accordance with the Internal Audit Charter and the Treasury's Audit Committee Guidelines. In 2017-18 the internal auditors have successfully completed all audits identified in the annual plan.

## INFORMATION SYSTEMS AND RECORD KEEPING

Unitywater makes and keeps full and accurate records of its activities in accordance with the standards and policies issued by the Queensland State Archives.

Our record keeping is informed by the *Public Records Act 2002*, Records Governance Policy 2018 and Records Governance Policy Implementation Guideline 2018.

Our record keeping program is documented through our policies and procedures. We have developed appropriate record keeping systems and tools such as an Electronic Document and Records Management System (EDRMS) and a Business Classification Scheme.

We continue to proactively communicate with all staff about their record keeping obligations via training workshops, individual training and the use of fact sheets.

## COMPLAINTS MANAGEMENT

Under our Customer Charter we have thorough internal processes to investigate and resolve customer complaints. We manage complaints in accordance with AS ISO 10002-2006 Customer Satisfaction Guidelines for Complaints Handling in Organisations.

If complaints are not resolved to a customer's satisfaction they can be referred to the Energy and Water Ombudsman Queensland (EWOQ) for review. During the reporting period 115 matters were referred to EWOQ by customers.

## CONSULTANCIES AND OVERSEAS TRAVEL

Details of spending on consultants and overseas travel undertaken by Unitywater representatives can be accessed at the Queensland Government Open Data website [qld.gov.au/data](http://qld.gov.au/data)



# OUR STRUCTURE

## OUR BOARD

Unitywater's independent skills-based Board guides our Executive Leadership Team to fulfil its vision to create a sustainable, industry-leading, community and customer oriented water and allied services business.

The combination of Board members' qualifications, skills and experience ensures a strong commercial focus, with emphasis on identifying efficiencies across the organisation and passing on cost savings to customers.

Under the Participation Agreement, the performance of the Board is evaluated annually and reported to our participating councils.

### JIM SOORLEY AM

BA (Psych), MA (Org Psych)

Chairman

Jim was Lord Mayor of Brisbane from 1991 to 2003. He has been the Chairman at Unitywater for eight years. Jim is involved in many activities in South-East Queensland. He is also the Chair of CS Energy and on the Board of Terracom.

### SHARON DOYLE

LLB (Hons), BIT (Dist), Grad Dip Bus Admin, GAICD

Sharon is the Managing Director of InterFinancial, a corporate finance advisory and mergers and acquisitions firm. Sharon is also a non-executive Director of TechnologyOne, Australia's largest enterprise software-as-a-service company and one of Australia's top 150 ASX-listed companies. Sharon has held leadership roles in Mincom Limited and Allens: Linklaters.

### FIONA WATERHOUSE

B Mfg Mgt, Dip Env Studies, Cert Business, GAICD

Fiona is CEO of bioenergy developer Utilitas, one of the pioneers of the emerging industrial bio-products market in Australia. A production engineer by trade, Fiona has owned and advised industrial and technology-related business for the past 20 years. The Business Sustainability Roadmap that she developed as part of her role in the Queensland Environment Department between 2000 and 2003 was recognised as a sustainable development milestone for Queensland.

### BARRY CASSON

MAICD

Barry was initially in chartered accounting before moving into corporate finance roles and executive management positions more than 40 years ago. His roles have predominantly been as an executive finance director in the mining sector, although his background also includes property development and agribusiness, more recently in the role of consultant. Barry served as non-executive Chairman of Metallica Minerals Limited (ASX listed) until December 2016 and he remains a non-executive Director on the boards of Archipelago Metals Limited and CassTech Limited. Barry is also Company Secretary of CassTech Limited and Archipelago Metals Limited.

### MIKE WILLIAMSON

FAICD

Mike brings to Unitywater more than 30 years' experience in the fields of water and sewage management, waste minimisation, resource recovery, engineering and project management. He has held positions as Managing Director of CH2M Australia and as Managing Partner of global consulting firm Environmental Resources Management (ERM). From 2001 until 2015 he was Chairman of the Oil Stewardship Advisory Council and he has held Board positions with Keep Australia Beautiful and Special Olympics NSW. Mike is also non-executive Chair of ECOllaboration Ltd, a not-for-profit company, based on the Sunshine Coast providing ecological and environmental services and environmental education. Mike is a qualified marine and mechanical engineer and is a Fellow of the Australian Institute of Company Directors.

## BOARD MEETING ATTENDANCE 2017-18

Board Member	Eligible to attend	Meetings attended
Jim Soorley	10	10
Sharon Doyle	10	9
Barry Casson	10	9
Mike Williamson	10	10
Fiona Waterhouse	10	10

## BOARD COMMITTEES 2017-18

A number of committees aid the Board in the execution of its duties.

Committee	Scope of activities	Members	Eligible to attend	Meetings attended
Audit and Risk	The Audit and Risk Committee helps the Board to fulfil its corporate governance responsibilities by reviewing Unitywater's safety reports, risk management reports and annual financial reports. In addition, it provides oversight and direction with respect to internal control systems, insurance, and audit and regulatory compliance processes.	Barry Casson (Chair)	4	4
		Sharon Doyle	4	4
		Fiona Waterhouse	4	4
Capital Works Committee	The Capital Works Committee reviews, oversees and reports to the Board on the appropriateness of Unitywater's capital works practices for projects above \$5 million. Its role includes a detailed review of the annual program of capital works and associated budget.	Mike Williamson (Chair)	4	4
		Jim Soorley	4	4
Nominations and Remuneration Committee	The Nominations and Remuneration Committee supports the Board by conducting detailed examination of the remuneration framework for all staff. It also assists the Board to meet its decision-making obligations under the incentive framework for senior staff.	Sharon Doyle (Chair)	3	3
		Barry Casson	3	3
Sustainability and Innovation Committee	The Sustainability and Innovation Committee provides direction on environment and sustainability and strategies for innovation and commercialisation that contribute to cost reduction.	Fiona Waterhouse (Chair)	3	3
		Jim Soorley	3	3
		Sharon Doyle	3	3
		Mike Williamson	3	3

## EXECUTIVE LEADERSHIP TEAM

The Executive Leadership Team, headed by the Chief Executive Officer, leads the daily operation of Unitywater and delivers on corporate objectives. The team is firmly focused on achieving strategic goals, improving customer service, achieving operational efficiencies and providing high quality, affordable and sustainable sewerage services and water supply that provide benefits to customers, stakeholders, our community and the environment.

### GEORGE THEO

MBA (Bus), BEng (Civil), CPEng, Ass Dip Mun (Eng), MIEAust, GAICD  
CHIEF EXECUTIVE OFFICER

George brings more than 30 years' experience to Unitywater and a wealth of knowledge of the water industry through previous roles with global consulting company GHD, Brisbane Water (now Queensland Urban Utilities) and City West Water, Victoria. George was Unitywater's Chief Operating Officer prior to taking up the position of CEO.

### PAULINE THOMSON

BBus (Acc), FCPA, GAICD  
CHIEF FINANCIAL OFFICER

Pauline is a Certified Practising Accountant and brings more than 25 years' experience in retail, distribution and transmission entities across the energy and water sectors. Her leadership experience includes leading teams in a range of senior commercial, finance and regulatory roles.

### ROB DOWLING

BCom (IR/OrgPsych), MBA, GAICD  
EXECUTIVE MANAGER CUSTOMER DELIVERY

Rob brings extensive operations experience across the water industry, where his roles have included Chief Operating Officer for Suez Environment in North America and General Manager at South Australian Water Corporation. With a background in production management in the automotive sector and industrial relations, Rob possesses a strong focus on change management, lean, safety, innovation, developing teams, and delivering beneficial outcomes for the customer.

### JUDY BAILEY

Grad Dip Admin, MAICD  
EXECUTIVE MANAGER CUSTOMER AND COMMUNITY

Judy has extensive executive management experience across diverse industries in major public and private sector environments. Previously responsible for managing budgets up to \$222 million, she has a successful track record in organisational strategy and change, business reform and the delivery of improved services to the community.

### KENAN HIBBERD

BCom, FAHRI  
EXECUTIVE MANAGER PEOPLE, CULTURE AND SAFETY

Kenan has more than 25 years' experience in human resources in both the public and private sectors. He has held senior management positions in national and international organisations in the industrial services, engineering, logistics and health sectors.

### SIMON TAYLOR

MSc (Eng), BSc (Hons), FIEAust, CPEng, EngExec, NER APEC, RPEQ, MAICD

EXECUTIVE MANAGER SUSTAINABLE INFRASTRUCTURE SOLUTIONS (TO JANUARY 2018)

In Simon's 30 years in the water industry he has held senior management positions in water utilities and water industry regulators, led strategic planning investigations, managed teams and a wide range of projects covering most aspects of the water cycle.

### SCOTT BARNES

BEChem  
ACTING EXECUTIVE MANAGER SUSTAINABLE INFRASTRUCTURE SOLUTIONS (FROM JANUARY 2018)

Scott has 20 years of senior management experience, primarily within the water and manufacturing industries across Australia and overseas, in both public and private sectors. Scott is a qualified chemical engineer and has extensive experience in operations and in leading process improvement initiatives.

### CAMERON LAWRIE

BCom, LLB (Hons)  
ACTING GENERAL COUNSEL AND COMPANY SECRETARY (TO SEPTEMBER 2017)

Cameron has been the Manager of Legal Services at Unitywater since 2014. He has 30 years' legal experience working in the private, public, water and electricity sectors with a background in corporate law, general commercial law, manufacturing, private equity and public private partnership initiatives.

# FINANCIAL PERFORMANCE

Unitywater made a profit of \$7.9 million after excluding developer contributions (comprising gifted assets and cash) of \$142.6 million from profit after tax. This compares to an adjusted profit of \$5.3 million in 2016-17. Unitywater continues to rely on developer cash contributions as a key source of funding for ongoing investment in water and sewerage infrastructure.

The statement of profit or loss highlights the reliance by Unitywater on developer contributions.

## STATEMENT OF PROFIT OR LOSS

	2013-14 \$M	2014-15 \$M	2015-16 \$M	2016-17 \$M	2017-18 \$M
<b>Revenue</b>					
Utility charges	448.2	474.2	482.4	512.8	526.2
Fees and charges	7.7	7.7	8.0	7.7	7.9
Developer contributions	118.9	117.5	143.7	130.2	142.6
Other income	14.5	13.8	16.3	18.8	19.5
<b>Total revenue</b>	<b>589.4</b>	<b>613.2</b>	<b>650.4</b>	<b>669.5</b>	<b>696.2</b>
<b>Operating expenses</b>					
Bulk water purchases	(131.3)	(143.7)	(150.8)	(170.2)	(176.4)
Employee expenses	(69.6)	(70.2)	(67.8)	(64.1)	(61.1)
Supplies and services	(70.1)	(69.5)	(75.3)	(81.3)	(88.6)
Depreciation and amortisation	(81.3)	(86.0)	(79.0)	(79.7)	(80.5)
Impairment losses	-	(6.7)	(0.3)	(1.8)	(0.1)
Finance and borrowing costs	(75.7)	(82.2)	(80.8)	(79.8)	(77.5)
Other expenses	(7.9)	(5.3)	(11.2)	(12.3)	(6.0)
<b>Total operating expenses</b>	<b>(435.8)</b>	<b>(463.6)</b>	<b>(465.2)</b>	<b>(489.2)</b>	<b>(490.2)</b>
Profit before tax	153.6	149.7	185.3	180.3	206.0
Tax expense	(45.0)	(39.8)	(48.9)	(44.8)	(86.6)
<b>Profit after tax</b>	<b>108.6</b>	<b>109.9</b>	<b>136.3</b>	<b>135.5</b>	<b>119.4</b>

## ADJUSTED PROFIT

<b>Profit after tax</b>	<b>108.6</b>	<b>109.9</b>	<b>136.3</b>	<b>135.5</b>	<b>119.4</b>
Developer contributions	(118.9)	(117.5)	(143.7)	(130.2)	(142.6)
Less one off tax adjustment					31.1
<b>Profit/(Loss) ex developer contributions</b>	<b>(10.4)</b>	<b>(7.6)</b>	<b>(7.4)</b>	<b>5.3</b>	<b>7.9</b>

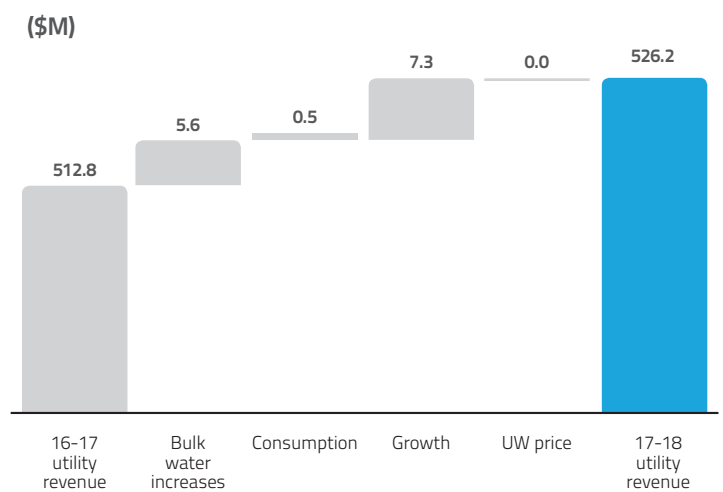
## REVENUE

In 2017-18, total revenue increased by \$26.7 million or 4%.

This change is made up of an increase in capital revenue of \$12.4 million and an increase in utility revenue of \$13.4 million.

The change in utility revenue was primarily driven by growth in the region with over 7600 new connections. The increase was also attributed to Seqwater bulk water charge increases, which Unitywater is required to pass on to customers.

The adjacent figure shows Unitywater’s utility revenue movement from 2016-17 to 2017-18.

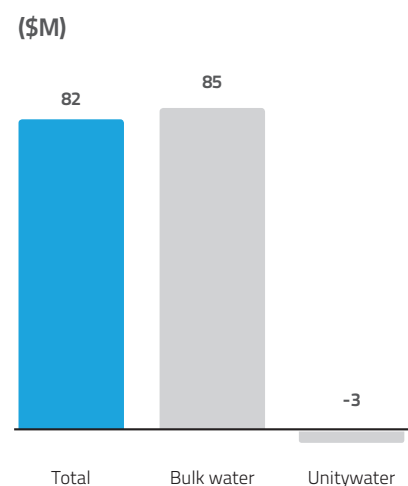


## EXPENSES

Operating expenses increased by \$1.0 million (0.2%) from 2016-17. The increase was primarily driven by a \$6.2 million (3.7%) increase in the purchase of bulk water from Seqwater due to higher bulk water prices and an increase in volume due to growth across the region. Increases in bulk water costs were offset by a \$5.2 million reduction in Unitywater’s operating costs.

Since 2011-12, Unitywater’s own operating expenses have decreased by \$3 million, whereas Seqwater bulk water charges have increased by \$85 million. Our continued focus on key strategic initiatives aimed at driving down costs throughout 2017-18 has enabled us to reduce costs and thereby minimise increases to Unitywater’s prices.

Unitywater’s focus is to continuously seek out opportunities to maintain controllable operating costs.

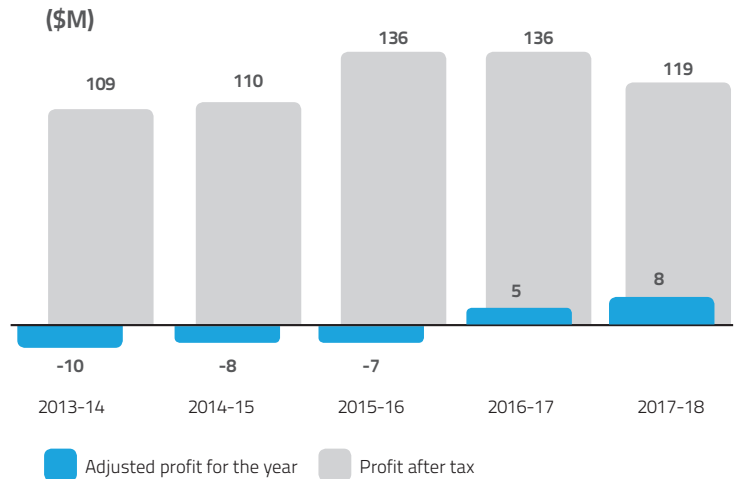


## PROFIT/LOSS

Excluding developer contributions of \$142.6 million and a one-off tax adjustment of \$31.1 million, Unitywater made a profit after tax of \$7.9 million for 2017-18.

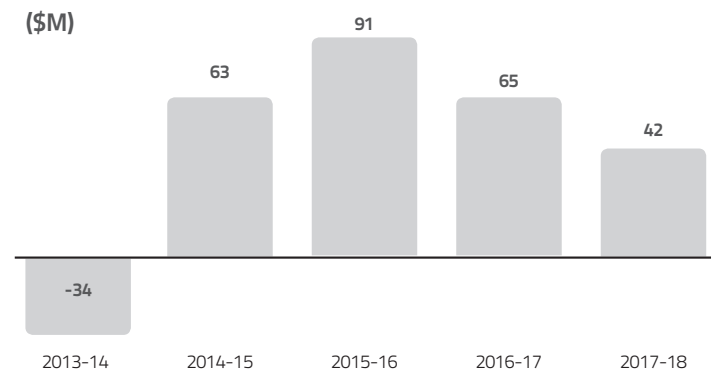
Developer contributions include cash to fund water and sewerage infrastructure, and infrastructure given to Unitywater to manage and maintain into the future.

Unitywater intends to reinvest operating profits into reducing future costs, improving efficiencies and delivering more services to customers.



## NET CASH FLOWS FROM OPERATING AND INVESTING

Net cash flows from operations and investing remained positive in 2017-18 although lower than 2016-17 due to a reduction in infrastructure charges received from developers, and an increase in tax expense offset by lower capital expenditure.



## ASSETS INVESTED PER CUSTOMER

In 2017-18 we invested \$138.9 million in water supply, sewerage and supporting infrastructure. As this was funded by developer cash contributions and prior year retained earnings no new borrowings were required. Unitywater continues to invest in infrastructure to support our growing customer base with a strong focus on innovation in investment.

Assets invested per customer has marginally increased from the prior year reflecting our focus on serving more customers with less assets and increasing efficiencies across the water and sewerage network.

