

22 May 2018

Dr Peter Boxall
Water Utility Performance Indicators Review
IPART
PO Box K35
Haymarket Post Shop NSW 1240

Dear Dr Boxall,

Water Utility Performance Indicators Review – Draft Report

The Public Interest Advocacy Centre (PIAC) is an independent, non-profit legal centre based in New South Wales. Established in 1982, PIAC tackles systemic issues that have a significant impact upon disadvantaged and marginalised people. PIAC welcomes the opportunity to comment on the Water Utility Performance Indicators Review – Draft Report.

PIAC appreciates the purpose of the review is to ensure that the number of performance indicators collected is relevant to holding regulated businesses accountable but does not duplicate what information is already captured in IPART's compliance activities.

PIAC supports the following principles be applied to the Water Utility Performance Indicators Review:

- Consistency between utilities where possible and appropriate (including considering size differences between public water utilities and *Water Industry Competition Act* licensees)
- Avoiding duplicating information collection
- Avoiding collecting information that is not used by IPART, the general public or other entities.

Consistency in reporting is important not only between businesses to help assess relative efficiencies but also over time to track improvements within a business. This should result in efficiencies for the regulated businesses, the financial benefits of which should be passed on to consumers.

Single set of performance indicators

PIAC supports IPART's proposed approach that wherever possible and appropriate, water utilities providing the same service should be subject to the same performance indicators. PIAC agrees with Hunter Water's point that this would provide a benefit in comparing the performance of public and private utilities which provide a comparable service. PIAC also agrees with Sydney Water's suggestion that a standardised approach will give customers and IPART (as well as other interested parties) an indication of levels of service provided by utilities and that this could be used as a driver for utilities improving service levels.

PIAC also supports collaborative measures to develop and implement consistent performance indicators across all NSW water utilities.

Performance – Customers

Given the complexity of customer performance and lack of choice most water customers in NSW have, PIAC support's IPART's proposal that customer performance of water utilities be monitored using a compliance-based approach, rather than a performance indicator approach.

PIAC agrees that there is also a need to examine customer satisfaction levels and there should be a mechanism to improve service over time. PIAC is pleased that Sydney Water, Hunter Water and Flow Systems are taking steps to measure customer satisfaction and PIAC supports IPART's investigation into examining and developing customer satisfaction indicators in 2018-19.

As noted in our earlier engagement on this review, careful consideration of the design of indicators needs to be made. PIAC would be pleased to contribute to IPART's investigation.

If you would like to discuss these issues further, please do not hesitate to contact me.

Yours sincerely,



Thea Bray

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