**Queensland Water Directorate (*qldwater*)** ***e-*flash**

**Information for Water Industry Managers and Practitioners in the Queensland Water Industry**

**(Issue #220 – 14 February 2014)**

**1.  Legislative amendments**

**2.  New DEWS KPI framework**

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**1.  Legislative amendments**

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The Water Supply Services Legislation Amendment Bill 2014 was introduced into parliament on Tuesday 11 February. The draft bill is available [**here**](https://www.legislation.qld.gov.au/Bills/54PDF/2014/WaterSupplySLAB14.pdf) and explanatory notes [**here**](https://www.legislation.qld.gov.au/Bills/54PDF/2014/WaterSupplySLAB14E.pdf).

The objectives of the Bill are (with additional explanatory notes for the provisions of likely interest to members):

1.      provide a streamlined process for water and sewerage connection approvals (utility model) for South East Queensland (SEQ) distributor-retailers

Provides a new utility model commencing on 1 July 2014 allowing distribution/ retail entities in SEQ to have direct control of new connections in the development approval process.  The model will be amended before commencement to reflect the outcomes of the current DSDIP Infrastructure Charging and Planning Reform Review.

2.      transform the regulation of water and sewerage service providers

Removal of many of the management plans foreshadowed in eFlash #194 paving the way for Customer Service Standards, Annual Performance Reporting through Key Performance Indicators, comparative reports in future and Drinking Water Quality Management Plans as the remaining main requirements administered through DEWS.  DEWS will send letters to all service providers concerning the KPI framework, and the second eFlash item below provides more background.

The draft legislation proposes penalties where a service provider fails to maintain customer service standards, provide reports and other requested information, or comply with directions.  It simplifies a number of existing CSS processes.  It removes the requirement for WSPS to provide residential tenants with data about their water consumption.

3.      reduce the regulatory burden on recycled water providers

Under the amendments, lower risk schemes will be registered, but Recycled Water Management Plans will only be required for higher risk uses; i.e. augmentation of drinking water, dual reticulation and use on minimally processed food crops.

4.      improve the operation of distribution and retail water businesses in SEQ by removing the requirement to publish draft charges, and increasing the number of councillors allowed on distributor-retailer boards

As stated, but also includes provisions for SEQ entities to share debtor information.

5.      enable authorised persons appointed by a water service provider to install certain water meters, in addition to licensed plumbers

This proposed change essentially tidies up a conflict between plumbing and drainage legislation and the Water Supply (Safety and Reliability) Act.   Water Service Providers will have a clear mandate to authorise who can install water meters.  It does not apply to services beyond the property boundary (i.e. sub-meters) and does not preclude the use of licensed persons, which is common in many councils.

6.      streamline appeal provisions relating to dam safety matters

Specifically relates to failure impact assessment triggers and updating appeal provisions to include reviewal decisions relating to referable dams.

7.      repeal the Metropolitan Water Supply and Sewerage Act 1909 (Metropolitan Water Act).

Removal of now redundant legislation.

The Bill now goes to the State Development, Infrastructure and Planning Committee for public consultation.  All WSPs should receive an invitation from the Committee to provide a submission, and ***qldwater*** intends to lodge one so please let us know if you have comments to be included in a generic industry response.  The Committee is due to report to parliament by the end of March, with final debate likely in early April.  Many provisions are due to commence on 1 July 2014.

Please contact Dave Cameron at [dcameron@qldwater.com.au](mailto:dcameron@qldwater.com.au) or phone 3632 6854 if you have any queries.

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**2.  New DEWS KPI framework**

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By now members should be well aware that subject to final parliamentary processes, a number of DEWS-administered statutory plans will soon be replaced by a process of annual reporting, audits, and ultimately comparative reporting, with data capture commencing on 1 July 2014.  The requirements apply to all water service providers to varying degrees.  Perhaps the biggest changes are to mandate reporting against a number of indicators for all providers, and to mandate National Performance Reporting for all providers with greater than 10,000 connections. DEWS will be writing to service providers with specific details again soon, including how audit processes and comparative reporting is likely to work.

***qldwater*** has long advocated for a single, fit for purpose water and sewerage management plan for each service provider,  supported by legislation. Removal of the previous raft of sometimes duplicative plans is a great step forward for the industry although retaining some of the guidance and oversight of water and sewerage asset management would have been useful for many Service Providers.  The removal of this regulation was driven by red tape reduction targets set by the current State Government in 2012.  We are working through a process of developing a standard template that builds existing processes and guidance material to support those members who desire some guidance in maintaining these critical planning processes.

The new KPI framework has a focus on outcomes rather than inputs and we have supported its development as much as possible, believing that performance monitoring through transparent reporting is critical to industry sustainability. Similar reporting processes have existed in other jurisdictions, including NSW for some time. However, recognising the diversity within our industry, ***qldwater*** is closely following the introduction of the new mandatory reporting framework and will work with members to overcome issues either through negotiating with the Department or developing the SWIM tool. DEWS has indicated they will continue their discussions with the industry to review the KPI framework as necessary.

The DEWS consultation process to develop these indicators has been extensive and included the formation of a DEWS ‘Business Advisory Group’ which included service provider representatives, LGAQ and ***qldwater***.  DEWS has also worked with those responsible for national performance reporting and the Queensland Competition Authority to minimise the number of new indicators and achieve consistency in definitions. However, consensus on the validity of certain indicators will never be achieved (***qldwater*** does not support all), and there will be costs to some members to capture additional data.  We believe that these costs are likely to be very small relative to the former mandatory plan regime, and the framework represents a good start, but will need to evolve.

We have for many years been encouraging streamlined voluntary reporting through SWIM, through consolidating indicators across numerous regulatory requirements, improving capture tools, and ultimately publishing voluntary industry benchmarking reports for the last two financial years. We have successfully incorporated requirements from the Bureau of Meteorology, ABS and other regulators into SWIM so that service providers have the option of reporting similar indicators only once through the SWIM platform.  Uptake continues to grow with close to 90% of members across the State currently using the tool.  While we could not be certain what regulatory form it would take, our industry has been preparing for mandatory KPI reporting for a long time, recognising that Queensland is one of few jurisdictions nationally (and internationally) lacking this coordinated approach.

Please provide feedback on this process at any time to us.  It is important that we continue to raise any difficulties with data capture, reporting, or simple suggestions for improvement with all of our regulators.  As discussed at regional events many times in 2013, new regulation and an increase in the reporting burden are inevitable in any industry, and we need to ensure we work together in advocating for practical and common sense approaches.

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