

ABOUT US

Unitywater is a statutory authority, formed under the *South-East Queensland Water (Distribution and Retail Restructuring) Act 2009*. Governed by an independent Board, we have a Participation Agreement with the Moreton Bay Regional Council, Sunshine Coast Council and the Noosa Council. We service these local authority areas on behalf of their citizens.

What we do

Twenty-four hours a day, seven days a week, Unitywater's priority is providing our customers with a high quality, safe and reliable sewerage and water service that is economically and environmentally sustainable. We:

- maintain and supply drinking quality water to homes, businesses and public areas
- collect, treat and dispose of sewage
- manage trade waste from our business and industrial customers
- provide around-the-clock response to sewerage and water emergencies
- manage customer and stakeholder enquiries
- issue and manage sewerage and water accounts
- provide responsive 24/7 incident, media and public information to ensure that our communities are prepared, informed and supported as needed
- build, manage, operate and maintain our sewerage and water infrastructure
- provide returns to our participating councils.

OUR VISION

WE AIM TO BE A SUSTAINABLE, INDUSTRY-LEADING COMMUNITY AND CUSTOMER-ORIENTED WATER AND ALLIED SERVICES BUSINESS.

OUR PURPOSE

KEEPING OUR COMMUNITIES HEALTHY.

OUR VALUES

Reliability

We mean and do what we say: consistently and professionally in a timely manner

Safety

We think, walk and talk safety every day and have the systems and processes in place to protect us, our customers, the community and the environment from our activities

Honesty and integrity

The work we do is always and only in the best interests of our customers, stakeholders, community and the environment

Efficiency

We don't waste time, money or effort because we have the right people in the right place getting it right the first time

One team

No one succeeds at the expense or exclusion of others, and we are proud of our collective success

Innovation

We seek new ways of doing things better



STRATEGIC PRIORITIES

ENHANCE
CUSTOMER
VALUE

IMPROVE
SUSTAINABILITY

PURSUE
EFFICIENCY

DEVELOP OUR
PEOPLE

STRATEGIES

PROVIDE EFFECTIVE,
LOW-COST CUSTOMER
SERVICE

BE VALUED BY OUR
COMMUNITY

ENCOURAGE AND
SUPPORT INNOVATION

DEVELOP NEW
PRODUCTS AND SERVICES
AND ALTERNATIVE
CUSTOMER SOLUTIONS

MEET GOVERNANCE
AND COMPLIANCE
REQUIREMENTS

IMPROVE SYSTEMS AND
PROCESSES

IMPROVE ASSET
PERFORMANCE AND
UTILISATION

OPERATE EFFICIENTLY

CREATE A PROUD
AND PRODUCTIVE
WORKFORCE

IMPROVE OUR
WORKFORCE'S SAFETY,
HEALTH AND
WELLBEING

The Unitywater *Annual Report 2016-17* describes our progress throughout the year towards achieving the goals set out in our *Corporate Strategic Plan 2016-17 to 2020-21*.

The activities outlined in this report were all undertaken as part of our Strategic Priorities. This year we have also worked towards the additional Strategic Priority: Develop our People. The new priority recognises that we need a proud and productive workforce to reach our goals and to do that we must focus on their development, safety, health and wellbeing.

Unitywater's business direction and service delivery aligns with the State Government's objectives for the community, which aim to protect the environment through ensuring sustainable management of natural resources, and deliver new infrastructure and quality frontline services.

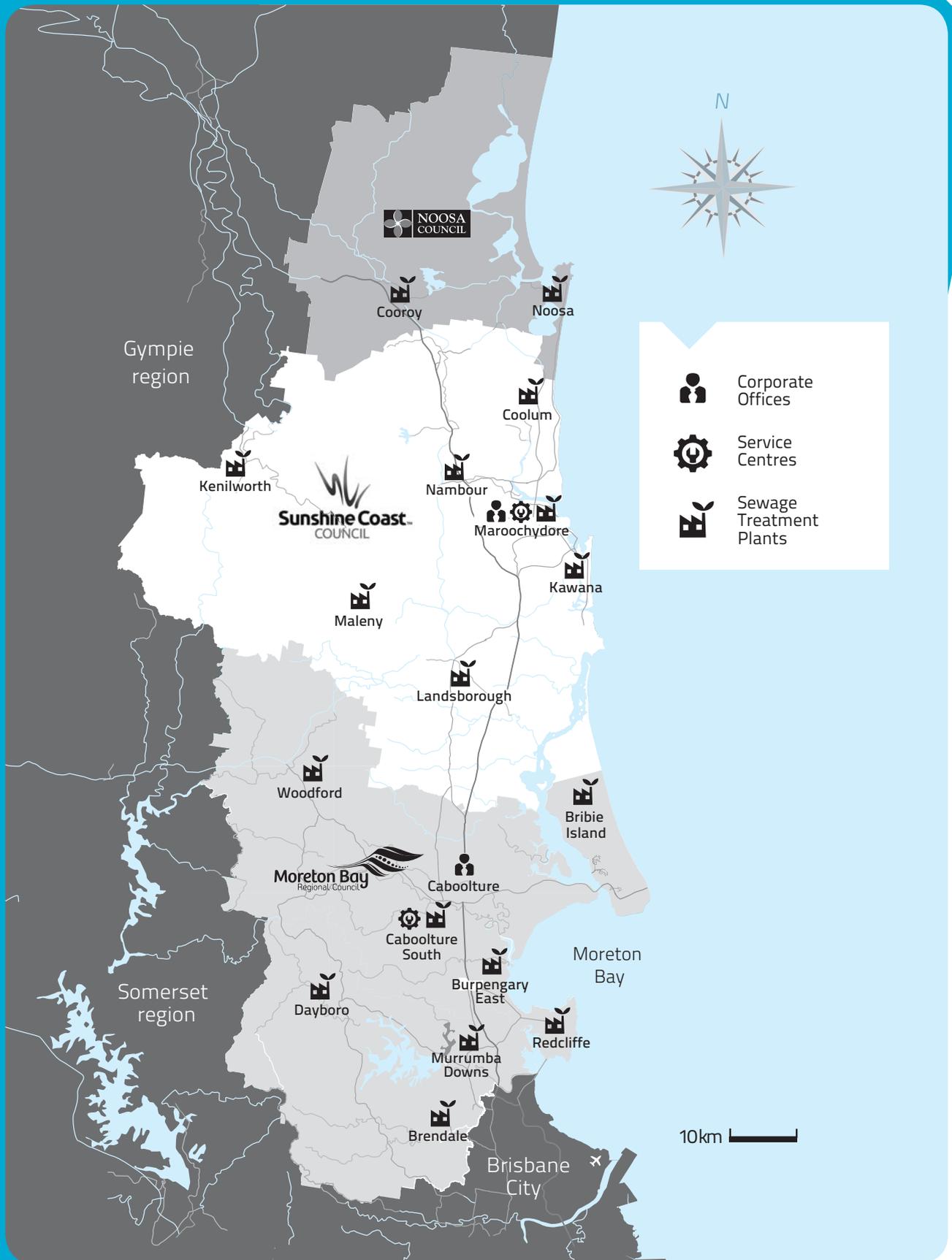
Strategic risks

Unitywater has identified and assessed the strategic risks and opportunities that it faces in the following areas:

- Safety
- Water quality
- Customer service
- Financial sustainability
- Regulatory compliance and policy
- Climate change
- Workforce planning
- Asset management
- Innovation and commercialisation

Unitywater manages these risks and opportunities through its strategic initiatives and annual business planning.

Unitywater's service area



It has been a good year at Unitywater and we are pleased to present our Annual Report.

Thank you to all our customers, and special thanks to our owners, the three local councils who let us get on with the job and give us tremendous support.

Unitywater has stewardship of managing \$3.3 billion of water and sewerage assets and for delivering safe and reliable water and sewerage services to more than 755,000 people across the region.

This report presents our excellent performance, key highlights, our governance and compliance practices and audited financial results. It also highlights some of our strategic priorities.

Enhancing customer value

We continued our journey of keeping price increases to a minimum. In the Moreton Bay region our water and sewerage charges reduced while in the Sunshine Coast and Noosa region our water and sewerage charges increased by 1.4 per cent or 26 cents per week, well below CPI.

Our customers continued to sign up to electronic billing, saving over 380,000 paper bills from being posted over the course of the year.

We continue to financially support a range of community and environment programs, with particular attention to the disadvantaged within our community. This initiative has been bolstered by our uVolunteer program where every employee can volunteer a day at full pay.

Improving sustainability

With support from the Australian Renewable Energy Agency, we are exploring the commercial potential of producing energy from not just sewage but other forms of waste like fats and oils at the Kawana Sewage Treatment Plant. This will further reduce our carbon emissions.

Working with our service partners we continue to

trial innovative technology-based solutions on our water and sewerage assets in pursuit of operational excellence.

We have confirmed the future direction for sewage treatment services across our region based upon a total water cycle management approach. This has enabled us to establish a lower cost approach to providing sewerage services and delivering outcomes through 'green engineering' opportunities. For example, the Yandina Creek wetlands will contribute to biodiversity and maintaining the health of the Maroochy River. Projects like this will enhance the reputation of our region as a clean and green place to live and visit.

The Wamuran irrigation scheme currently under development shows enormous potential to secure up to five billion litres a year of nutrient-rich recycled water for the farming district.

Our trial of digital meter technology at 1000 properties is designed to assist customers better understand how they use water in real time and help us better manage demand for water. The success of this trial project may lead to the rollout of further digital technology for real time water monitoring across the region.

Pursuing efficiency

It has been a tough year in our workplace as we changed many work practices from a previous era. This included reform of working hours, award payments and overtime practices. Our negotiation of three federal enterprise agreements with our staff provide real reforms, employment security and customer benefits.

Across the region in 2016-17 we invested \$131.8 million in water and sewerage assets. In the Caloundra area we began or progressed construction of a number of sewerage pipelines and pump stations to cater for growth and reduce the potential for wet weather overflows.

Our work at the Redcliffe Sewage Treatment Plant continues, with the upgrade to be completed in 2018. This will improve the quality of effluent discharged into the waterways and significantly reduce odour complaints within the area.

Developing our people

Our first diversity survey of staff revealed we are even more diverse than the communities we serve: 15 per cent of people speak a primary language other than English, and 2.2 per cent identify as Aboriginal or Torres Strait Islander. This outcome has been supported by our diversity approach to recruitment.

We introduced the Water Industry Worker framework for our outdoor civil maintenance staff. The nationally recognised and accredited competency-based framework is linked to remuneration and career progression.

Our graduate, mentoring and leadership programs are designed to encourage and develop individuals. This year 150 staff participated in leadership development programs and thirty-four were identified for our new emerging leader program.

Our undergraduate, vocational and work experience programs continue to be well supported, offering real-life work experience to residents within our region.

Financial performance

After excluding developer contributions (comprising gifted assets and cash) of \$130.2 million from profit after tax, Unitywater made a profit of \$5.3 million. This compares to a loss of \$7.4 million in 2015-16 after excluding developer contributions.

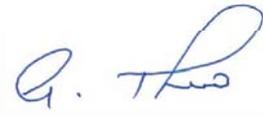
Total returns to participating councils, comprising tax equivalents, participation returns and interest on loans, were \$133 million, the same as provided in 2015-16.

As we acknowledge the last twelve months, we are grateful for the efforts and achievements of our dedicated and talented employees.

And as we move into our eighth financial year of operations, we extend a sincere thank-you to the Board members, the Executive and all staff. Your ongoing commitment and dedication will take Unitywater a long way towards being an operationally excellent organisation for the benefit of our customers.



Jim Soorley
Chairman
11 September 2017



George Theo
Chief Executive Officer
11 September 2017