

# Delivering our strategy

Customer and stakeholder relationships performance report

## Safe, high-quality water

### Water treatment plants

Water treated at all of our water treatment plants, both metropolitan and non-metropolitan, fully complied with the Drinking Water Standards New Zealand (DWSNZ) including bacterial and protozoal compliance criteria. All metropolitan and non-metropolitan water treatment plants continue to maintain an 'A' grade.

### Water supply reticulation

All metropolitan and non-metropolitan distribution networks continue to maintain an 'a' grade.

## Reliable service

### Unplanned water interruptions per 1000 connections

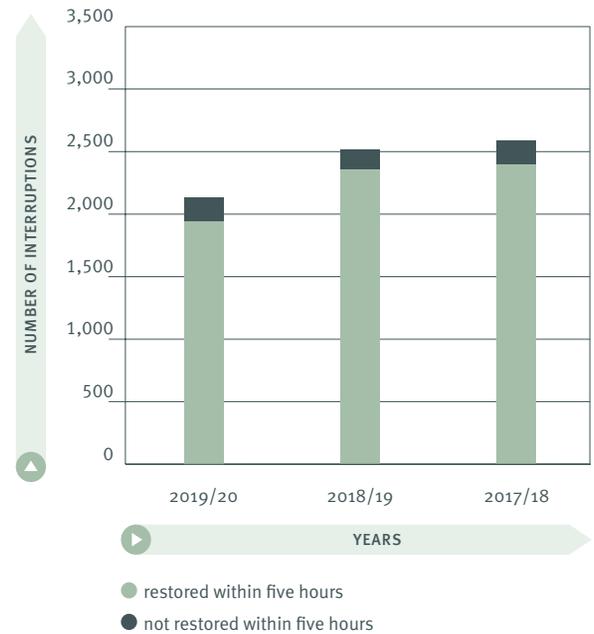
The Auckland region covered a total of 440,000 water supply connections in 2019/20. As a measure of reliability of service, we monitor the number of times the water supply to our customers is interrupted.

We aim to ensure that there are 10 or fewer interruptions per 1000 connections during the year. The result for the 2019/20 year was 4.8 for the Auckland region compared with 5.7 during 2018/19.

## Unplanned water interruptions restored within 5 hours

To minimise the impact on our customers, Watercare aims to ensure at least 95% of all unplanned water interruptions are restored within 5 hours. The result for the year was 91% for the Auckland region, compared with 94% for 2018/19.

This result was due to unplanned shutdowns taking longer because of increased traffic management, arborists requirements and complexity of jobs in central Auckland.



## Responsiveness

### Attending and resolving faults

Type of fault	Description	Target	Achieved
Urgent faults on the water network	Median time taken by our crews to attend to the call-outs	≤60 mins	50 mins
	Median time taken by our crews to resolve the fault	≤5 hours	2.9 hours
Non-urgent faults on the water network	Median time taken by our crews to attend to the call-outs	≤5 days	1.7 days
	Median time taken by our crews to resolve the fault	≤6 days	2.1 days
Faults on the wastewater network	Median time taken by our crews to attend to the overflows caused by blockages or other faults	≤60 mins	43 mins
	Median time taken by our crews to resolve the overflows caused by blockages or other faults	≤5 hours	2.4 hours

### Grade of service: Calls answered within 20 seconds

Grade of service (GOS) is an industry performance measure used with the call centre industry, aimed at ensuring calls are answered within 20 seconds. In 2019/20, 59.56% of calls were answered within 20 seconds, compared with 69.53% in 2018/19.

During the year, we identified an error in the way our telephony system measures the GOS (a measure of 120 seconds was incorrectly set up instead of 20 seconds) so our results for 2018/19 and 2019/20 have been restated as below.

- 2018/19 old result (against a measure of 120 seconds) – 81.51%
- 2018/19 restated result (against a measure of 20 seconds) – 69.53%
- 2019/20 result (against a measure of 20 seconds) – 59.56%

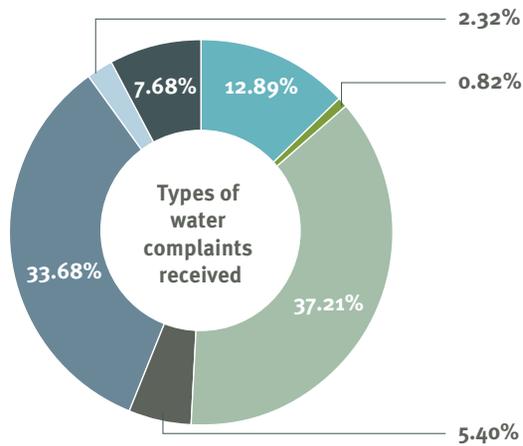
Our focus over the past few years has been on first-call resolution so customer issues are addressed within their first interaction with us. This often requires our customer agents to spend more time on the phone and reduces the pool of available staff to pick up calls in the queue. The prompt and effective resolution of customer issues is our priority rather than the speed of answering calls.

### Complaints

In 2019/20, 1010 complaints were received and of these complaints, 95% (955) were resolved within the stipulated 10-day period, meeting the target of 95% or more.

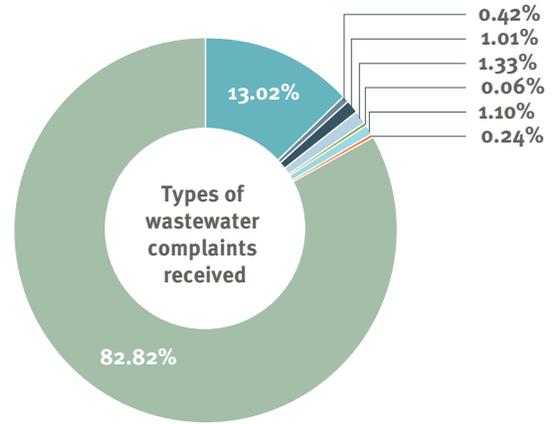
For the purpose of this measure, a 'complaint' relates to transactional complaints such as price increases, account maintenance, employee behaviour, payments and refunds. It excludes calls received about drinking water quality and wastewater issues as these have been reported separately on the next page.

### Water



- Low water pressure medium 12.89%
- Water complaint illness 0.82%
- Discoloured water 37.21%
- Water low pressure (routine) 5.40%
- Water low pressure (urgent) 33.68%
- Water quality flush 2.32%
- Tainted water 7.68%

### Wastewater



- Sewer odour 13.02%
- Sewer third-party damage 0.42%
- Sewer incident 1.01%
- Sewer manhole (routine) 1.33%
- Sewer manhole (urgent) 0.06%
- Sewer pipe broken 1.10%
- Sewer pump station (routine) 0.24%
- Sewer safety problem (urgent) 82.82%

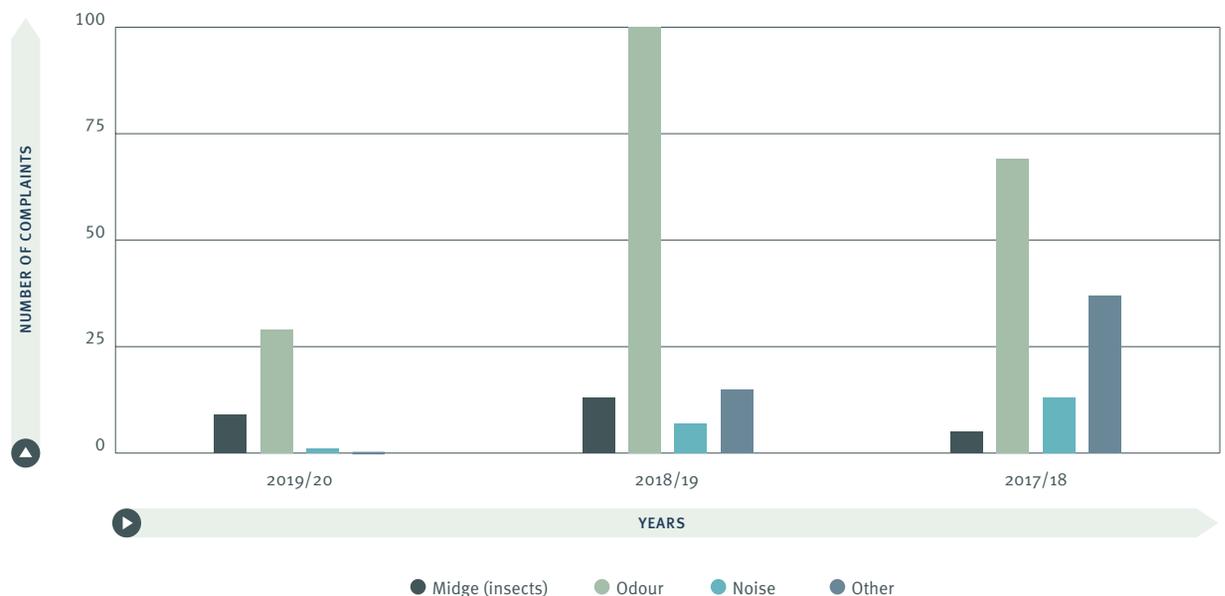
### Midge, odour and noise management at operational sites

We record and strive to address all complaints about the effect of our activities on the environment and on the communities living nearby, particularly those related to midges, odour and noise.

Midges are small flies that thrive in water bodies in still and hot conditions. 'Other' includes complaints relating to maintenance of our structures such as rubbish in a car park, graffiti, fencing or access.

This year, data does not include complaints from the transmission network, which were included in previous years, due to a system issue and non-availability of data.

### Midge, odour and noise complaints



## Affordability

In 2019/20, an average Auckland household (comprising three people) spent less than 1.0% (0.87%) of its monthly income on water and wastewater charges.

Cost of water & wastewater services per household per month 2019/20	2019/20 % of average weekly income earnings	Cost of water & wastewater services per household per month 2018/19	2018/19 % of average weekly income earnings	Cost of water & wastewater services per household per month 2017/18	2017/18 % of average weekly income earnings
\$84.96	0.87%	\$81.00	0.83%	\$78.22	0.85%

\* Average income for Auckland based on Statistics NZ.

## Customer satisfaction and loyalty

Net promoter score (NPS) is commonly used by utilities as a measure of customer loyalty. We use it to measure how satisfied our customers are with Watercare across all their interactions whether it is in person, by phone, email or on our website. Our NPS has stayed relatively stable this year (43 across 2018/19 and 2019/20), despite the challenges in 2019/20.

In the past year, the COVID-19 lockdown impacted the ability of many of our home-based, customer-facing teams to receive phone enquiries. Customers had to rely on email to get in touch, which affected the response and resolution rate. The lockdown also meant we could not read customers' water meters for an extended period of time and had to use estimates to bill them. The ongoing drought and stage 1 water restrictions have had an impact on some businesses so we continue to engage with them and provide advice and support.

## Investment in community programmes

Watercare is active within the Auckland community in many ways. We offer a free education programme to primary schools and provide free water at public events.

Our company sponsors the Watercare Harbour Clean-Up Trust, which works to remove litter from Auckland's harbours and inner-gulf islands, and promotes the concept of clean, clear, rubbish-free waterways. We also sponsor Trees for Survival and Waikato RiverCare, two conservation programmes in the Hūnua Ranges and Waikato River respectively. Watercare funds the Water Utility Consumer Assistance Trust, which helps domestic customers facing financial difficulties to manage their water costs.

We also continued sponsoring the Mark Ford Ngā Tapuwae Scholarship to acknowledge the company's late chief executive Mark Ford for his outstanding contribution to the industry. Students who are studying engineering at the University of Auckland are able to apply for this scholarship which is valued at \$5000.

Programme	2020	2019	2018
Watercare Education Programme	\$25,837	\$11,507	\$35,057
Watercare Utility Consumer Assistance Trust	\$100,000	\$120,000	\$80,000
Trees for Survival	\$3,450	\$3,450	\$3,450
Watercare Harbour Clean-Up Trust	\$325,000	\$325,000	\$306,250
Waikato RiverCare	\$56,000	\$50,000	\$50,000
Mark Ford Ngā Tapuwae Scholarship	\$5,000	\$10,000	\$10,000
<b>Total</b>	<b>\$515,287</b>	<b>\$519,957</b>	<b>\$484,757</b>

### Encouraging water efficiency

In 2019/20, the gross per capita consumption of water was 268.6 litres per person per day.

Our target for 2019/20 was to maintain consumption within the 264 litres per person per day (+/- 2.5%) band, to meet the overall demand management target of reducing demand by 15% by 2025, compared to 2004 consumption levels.

The demand for water from Aucklanders was higher than expected in 2019/20 as the region experienced a prolonged dry winter followed by a severe drought with 25% less rainfall than normal.

Contributing to the high demand were two factors: the COVID-19 pandemic and subsequent lockdown led to increased residential demand during March, April and May; the extremely hot summer caused consumers on rainwater tanks to purchase more water from tanker operators during the warm and dry periods of the year. This means that the water sold to tanker operators, which is supplied by our metropolitan network, is then distributed to consumers that are not connected to our metropolitan network.

We continue to use Statistics NZ's 2018 medium population projections which include consumers living in commercial rest homes, hotels and hospitals and other similar dwellings. We have added 1.8% to this figure to account for year on year growth based on Auckland Council's median growth forecast and deducted the percentage of the population that is not connected to our water supply network using our 2020 water connection data.

Our engagement with customers on water efficiency increased in 2019/20. We launched a new outreach programme "Water is precious", with the objective of educating Aucklanders to value their water supply. This initiative includes a portal with water efficiency resources and activation events where we engaged with the public on their water consumption behaviours and then subsequently on the drought and ways to make voluntary water savings.

