

BULLETIN

October 2016

A report of matters associated with Southern Rural Water's 25 October 2016 board meeting

The meeting was held at The Pavilion, 50 Viaduct Road, Warrnambool

Present:	Mr Terry Burgi OAM	Chairman
	Ms Diane James AM	Deputy Chairman
	Ms Kate Calvert	Director
	Ms Naomi Pye	Director
	Ms Naomi Benjamin	Director
	Mr Michael Malouf	Director
	Mr Terry Swingler	Director
	Mr Clinton Rodda	Managing Director
	Mr Stuart Wrigglesworth	Chief Financial Officer and Corporation Secretary

Apologies: Nil

Southern Rural Water Board of Directors meeting

A strong start to the 2016-17 financial year

The board considered a number of reports that reflect upon the corporation's performance and results for the first quarter of the 2016-17 financial year.

Performance dashboard

The performance dashboard reports a range of indicators that are designed to summarise SRW's performance against targets set within the Corporate Plan. The board was pleased to see that the corporation is reporting results at, or better, than most of these targets. Important highlights being:

- Customer indicators better than target for all customer groups other than Groundwater & Rivers Application customers, with highlights being:
 - Service to Macalister irrigation customers 22% better than target;
 - Service to customers in the Latrobe system 30% better than target; and
 - Continuing improvement to service provided to Groundwater & Rivers Applications customers, indicating that outcomes are on track to exceed target in 2016-17.
- No significant compliance breach, risk occurrence or safety incident for the quarter.
- Introduction of new measures for asset maintenance performance.

Finance and major projects report

The Chief Financial Officer advised the board that SRW remains on track to deliver the budgeted operating result and capital expenditure program described within the Corporate Plan.

Strategy report

The strategy scorecard report identified that twelve of our thirteen outcome measures are on track, and the board was pleased to note that the corporation continues to make good progress towards SRW's strategic vision of –

Boosting Southern Victoria's food, fibre and regional productivity through
outstanding rural water management

2018-19 Price submission

Noting that consultation activity for SRW continues to be challenged by the wide geographic spread of our activities and many distinct issues applicable to different customer groups, management and the board discussed in detail the best way to initiate feedback for the upcoming price submission to the Essential Services Commission.

Following this discussion, management will continue to progress planning of the upcoming stakeholder workshop scheduled for 10 November. This session is expected to provide valuable insights into the existing SRW strategic vision, objectives and supporting activities, and whether this context continues to be appropriate for the 2018-19 price submission.

Further reports

A number of additional reports were noted or approved by the board:

- Management report
- Chairman's report
- Directors' reports
- Instrument of delegation
- Risk presentation: Damage to aquifer
- Customer consultative committee eligibility
- Groundwater Applications
- Board meeting reflections
- Consultative committee: Macalister Irrigation District
- Consultative committee: Werribee Bacchus Marsh Irrigation District

Southern Rural Water Board of Directors host dinner meeting

A dinner meeting with local stakeholders, customers, staff and the board was held in Warrnambool.

A presentation was provided by SRW General Manager Groundwater and Rivers, Mr Craig Parker.

Mr Parker described the history of groundwater management in Australia, including a description of how these practices have cumulated into new trading rules for the South West Limestone Aquifer.

The presentation triggered considerable discussion whereby SRW directors and their guests were able to further consider the significant value of the aquifer to the local environment and economy, and the role that SRW plays to balance outcomes.

Southern Rural Water Board of Directors tour

Management and directors attended a tour on Wednesday 26 October 2016, visiting sites including:

- Merri river; and
- On-farm irrigation developments

Directors heard from Mr Gary Wills, Warrnambool field officer, of the scale and complex nature of surface water licensing on the Merri River.

The tour was privileged to visit a local dairy operation and hear first-hand from Vicki and Geoffrey Wickham about their recent investment in irrigation infrastructure. In part facilitated by new trading rules for the South West Limestone aquifer, a centre pivot and associated bore and power supply have been installed to irrigate 60 hectares. Additional year round production can now occur on this property, leading to more reliable feed supply and ultimately increased milk production. This example highlighted to management and directors the important role that our services provide to increase agricultural productivity in Southern Victoria.

Next meeting

The next meeting for the Board will be held on 7 December 2016 in Melbourne.