



Quarterly Performance Report March 2021

BUSSELTON **WATER**



Our Key Performance Outcomes

Business Performance	As at March 2021		
	Actual Year to Date	Annual Target	Status
Leadership			
Residential water efficiency kL/pp/year (rolling year)	102.1	111	On Target
Strategy and Planning			
SDP/SCI submitted to Minister	Drafts submitted to Minister 14 April 2021	30 April 2021	On Target
Information and Knowledge			
Information and Knowledge Index	4	4	On Target
People			
People Index	4	4	On Target
WorkSafe and IFAP assessments	Platinum WorkSafe and Gold IFAP accreditation achieved	≥ Gold level	On Target
Customer and Other Stakeholders			
Number of complaints/1000 customers (rolling year average)	2.21	<10	On Target
Process Management, Improvement and Innovation			
Business Excellence Index	4.28	>4	On Target
Results and Sustainable Performance			
Drinking water quality compliance with health standards	100%	100%	On Target
Growth			
Number of new water services	282	105	On Target
Comments			

All performance outcomes are on target at March 2021.

Our Financial Forecast

Financial Performance	As at 31 March 2021				
	Full Year Forecast	Actual YTD	Budget YTD	Variance	SCI Budget
Financial Results (\$m)					
Operating Revenue	13.26	8.90	7.58	1.32	12.06
Operating Expenditure	10.66	7.25	8.27	1.02	10.91
Operating profit before income tax	2.59	1.65	(0.69)	2.34	1.15
Operating profit after income tax	1.76	0.99	(1.30)	2.29	0.63
Loan principal repaid	0.31	0.23	0.23	0.00	0.31
Capital expenditure	3.32	1.45	1.41	0.04	2.89
Net Accruals to Government (\$'000s)					
Income tax equivalents (NTER)	831	662	606	56	517
Local Government rate equivalents	61	0	0	0	61
Dividend Paid (based on 2019/20 result)	757	757	757	0	1,125
Total accruals to Government	1,649	1,419	1,363	56	1,703
Less: Payments from Government (Operating subsidies)	744	409	409	0	670
NET ACCRUALS TO GOVERNMENT	905	1,010	954	56	1,033

Comments

Actual results for the period ended 31 March 2021 are positive with revenue exceeding budget projections due to a significant increase in developer contributions. Combined with tight control over expenditure, the Corporation has seen the operating profit results significantly better than budget for the quarter.

As at March 2021, the financial year operating profit is forecast to be better than the SCI budget by approximately \$1.13M. This will however depend greatly on the results from the final billing cycle in June 2021 and the level of development activity between March and June 2021.

The initial total approved capital works budget was \$2.89 million however this was increased to \$3.32 million through the mid year budget review. Delivery of the planned capital works program is progressing well with total expenditure in line with our YTD forecast.

Based upon our current forecasts (National Tax Equivalent Regime) NTER payments are expected to exceed the SCI budget by approximately \$315K.

Dividend figure shown within SCI Budget column represents the original budgeted 2020/21 projection; figure shown within Full Year Forecast column represents actual Dividend payment made to Treasury in December 2020 based upon the trading outturn result reported in 2019/20 Annual Report, impacted by the COVID-19 pandemic.

Through the mid year review the projected Operating Subsidy payment was increased from \$670K to \$744K as a result of the washup from the 2019/20 year. Community Service Obligation payments for 2019/20 were \$74K higher than the original budget estimate for the 2019/20 year.

Net Accruals to Government are on target however the forecast for the final year results will be lower than the SCI budget due to the lower Dividend payment and higher Operating Subsidy payment, however noting an increase in the forecast NTER tax payable for the year.

Overall, results are positive for the period ending 31 March 2021.