Independent Chair Annual Report November 2022 – November 2023

Committee name:	Sydney Water Customer and Community Reference Group (CCRG)	Reporting period:	November 2022 to November 2023
Independent	Abigail Goldberg	Business	Stuart Wallace, General Manager
chair:		contacts:	Customer and Stakeholder
			Engagement
			Josh Isben, Head of Customer and
			Strategic Insights

1. Executive summary

In early 2022 the Sydney Water Executive endorsed a recommendation to establish a new, independently chaired Customer and Community Reference Group (CCRG) with a mandate to have significant input into Sydney Water's customer engagement program, strategic planning and regulatory submissions. The CCRG replaced the previous Community Advisory Council.

Key changes introduced with the CCRG included:

- Appointment of an independent chair to ensure professional arms-length facilitation of the group
- Upgrading of governance processes, including formulation of a Charter and Codes of Conduct for both members and the independent chair
- Diversification of membership to ensure a broad range of customer and community representatives and viewpoints
- Ongoing expectation of meeting Sydney Water's goal to be customer-centric as well as addressing the increasing expectations of the Independent Pricing and Regulatory Tribunal (IPART) to involve customers in the regulatory and broader planning processes
- Enabling greater customer and community input into Sydney Water's key activities of customer engagement, strategic planning and development of the business price proposal.

This report reflects on the first year of operations of the group, from November 2022 to November 2023. The report is the personal reflection of the independent chair, with inputs from the Sydney Water CCRG Secretariat.

2. CCRG Charter and functions

The CCRG Charter is published on the Sydney Water website www.sydneywater.com.au/about-us/our-people/who-we-are/customer-forums.html. The Charter outlines expectations that the CCRG will:

- work alongside Sydney Water as an independent voice, assisting in ensuring that strategic plans, investment decisions and regulatory submissions are in the best long-term interests of customers and the community
- provide a range of external perspectives, reflecting stakeholder positions and community interests, to help Sydney Water maintain an 'outside-in' view of it's business, operations and plans
- assist Sydney Water in meeting IPART's requirements under its new regulatory framework for the water sector
- provide inputs into the design and execution of Sydney Water's customer engagement program and help to evaluate and respond to the findings and results as part of wider business planning.

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The Charter confirms that the CCRG is not a decision-making committee, but rather an advisory group and interface with Sydney Water via the GM, Customer and Stakeholder Engagement.

The CCRG is not intended to replace engagement and research with customers and the community. Its role is rather to enhance and support efforts customer-centric business practices.

3. Membership

Both the CCRG independent chair and members were appointed following publicly advertised Expressions of Interest (EOI), robust selection and appointment processes.

CCRG members bring a breadth of skills and professional experience ranging from consumer affairs, the water industry, infrastructure industry, environment to public policy and business. While some members represent a group others are individuals with expertise in relevant areas. (Appendix 1 - Customer and Community Reference Group Membership Skills Matrix).

All members, including those who represent a specific customer or community group, are encouraged to also consider the perspectives of all customers, as well as engage in detailed and analytical discussion with the broader business.

Mini biographies for members are available online (<u>www.sydneywater.com.au/about-us/our-people/who-we-are/customer-forums.html</u>).

4. Approach to community and customer consultation

A number of principles are applied to consultation through the CCRG:

Principle 1: Diversity and inclusion

A diverse group of participants have been selected to participate in the CCRG so as to represent the many, varied customers of Sydney Water. A range of factors including gender, age and cultural background informed the combination of participants. Individuals as well as community groups are represented, including overall culturally and linguistically diverse (CALD), First Nations, business, environmental and property developer representatives.

Care is taken at each meeting to enable each participant to contribute to the conversation and to provide opportunities for all participants to be included in activities whether through 'round the room' check-ins in addition to general Q&As or more structured arrangements for questions or mini-presentations to be developed ahead of time with the support of the Chair and Secretariat.

To date, both CCRG members and observers of our meetings have been struck by the diversity of participants, and commented on how this is reflected in the variety of views that are put forward at meetings.

Feedback from members to date is positive, as the testimonial below indicates:

"As a young woman with a minority cultural and religious background, the CCRG has shown me and the segments I represent an unwavering commitment to embrace diverse intergenerational perspectives within Sydney Water's operational and strategic endeavours."

Inaara Jindani, CCRG member, quote volunteered August 2023

While there are no formal sub-committees, special interest sub-groups are formed on an asneeds basis. For example over this reporting period, a group supporting the Our Water Our Voice community engagement initiative has invested significant time and provided considerable inputs and contributions to Sydney Water on the proposed engagement approach, substantively shaping the exercise. (Appendix 2 – Examples of CCRG informing business outcomes).

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Principle 2: Engagement and interactivity

In order to operationalise the principle of engagement and interactivity, CCRG agendas are structured so that discussions are focused on customer and community interests. Meetings include updates on customer engagement, and customer impacts of strategic and regulatory matters are put forward for discussion.

Agendas also make provision for participants to raise community issues and concerns for Sydney Water response, and papers to participants include prompts for discussion or questions, ensuring engagement and encouraging an interactive format where dialogue is encouraged.

To assist participants in managing the workload, papers are clearly marked as being either 'for discussion' or 'for noting', helping CCRG members to focus their attention on key matters of the day.

Agendas are also deliberately varied, so that speakers alternate with panel discussions / small group work / video presentations or group forums, so that engagement and interaction is prioritised.

Examples of engagement activity:

Panel discussion- what Infrastructure Contributions mean for stakeholders (7 August 2023)

Members participated in a panel discussion facilitated by the chair which enabled participants to hear the views of different stakeholders, in this way assisting with broadening understanding of how a relatively divisive issue is perceived by various groups who may not be in alignment.

Customer 'Q&A' (9 October 2023)

Members presented the views of a range of different customer perspectives from their personal experience, including:

- o Low income people
- Seniors and pensioners
- First Nations people
- o In addition, a Sydney Water staffer put forward his view of being a renter and tenant.

Feedback from members to date is supportive, as the testimonial below indicates:

"As a long-standing member of Sydney Water's Customer and Community Reference Group (CCRG), (previously known as the Customer Council,) I have had the privilege of being involved in a journey of transformation with Sydney Water.

Sydney Water has fine-tuned its processes and practices, to ensure its customers are at the centre of their work. As a member of the CCRG and CEO of a statewide peak body that represents multicultural communities, I commend Sydney Water for its extensive customer and community engagement, in particular its continuing efforts to undertake opportunities to listen to the voices of those customers from culturally, linguistically, and religiously diverse communities."

Mary Karras, CEO Ethnic Communities Council of NSW and CCRG member, quote volunteered August 2023

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Principle 3: Mutual education and sharing of information

A high level of value is placed on the knowledge and experience brought to the table by participants. As such, a culture of mutual education is supported by the chair and Sydney Water and reciprocated by participants, who:

- Proactively seek the formation of sub-groups for specialised topics
- Request supplementary information from Sydney Water, such as conference papers
- Share resources of their own across the group through the Secretariat, such as supporting information from other customer and community groups
- Bring information to meetings for the benefit of Sydney Water and other participants.

Sydney Water has demonstrated that it is listening to CCRG input and that CCRG input has been applied to shape business materials ranging from community brochures to strategic plans.

Feedback from members to date confirms this approach, as the testimonial below indicates:

"As a consumer representative on the CCRG I have witnessed change and improvements taken up by Sydney Water, particularly for the cohort I represent, that is "low income and vulnerable consumers". Sydney Water has shown a willingness and respect for the CCRG's consultation and discussion for the benefit of consumers and stakeholders. The issues are complex and dealt with in a considerate manner, well led by the chair and are varied, complex and vital to the future sustainability of the water network."

Narelle Brown, CCRG member, quote volunteered August 2023

Principle 4: Rigour and structure

In addition to each agenda being carefully structured, specialised engagement techniques are applied at each meeting ranging from the Harvard 'Cultures of Thinking' techniques (e.g. 'stand in my shoes' or 'making thinking explicit') to the Oxford Business School 'social impact' approach (e.g. in relation to ways of approaching difficult social issues such as increasing bill payments).

Other approaches that are applied include:

- Creating a safe-space approach, ranging from setting ground rules, to managing questions through the chair
- AICD and other Board-style management approaches, which relate to positioning participants around the table, ensuring all participants are engaged and take part discussions as well as Q&A
- Engagement and feedback approaches, including pulse checks and round-the-room feedback opportunities
- Wellbeing approaches that also improve concentration, such as stand-up breaks.

5. Levels of engagement:

To date, engagement in the CCRG has been excellent, with very high levels of participation at each meeting and no drop-outs from the group. Members arrive at meetings prepared for discussion, and with questions and queries ready to go. Q&A sessions are lively and interesting, with diverse points of view put forward and an open approach to engagement that encourages all views and opinions rather than seeking consensus.

"In my role as a community representative, I've genuinely valued not only the structure of each meeting but also the way they are conducted. When you have a diverse group of

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voices at the table, there's always a risk of straying from the schedule, deviating from the main topics, or individuals not getting a chance to contribute effectively.

I've found it quite enjoyable to engage in discussions in a manner that feels safe and to witness the level of respect extended to everyone in the group, ensuring their viewpoints are both heard and comprehended. The chair has done an outstanding job in maintaining focus and preventing us from becoming overwhelmed with information, which is especially crucial for individuals like me who are new to and learning about the industry."

Steven Collins, CCRG member, quote volunteered September 2023

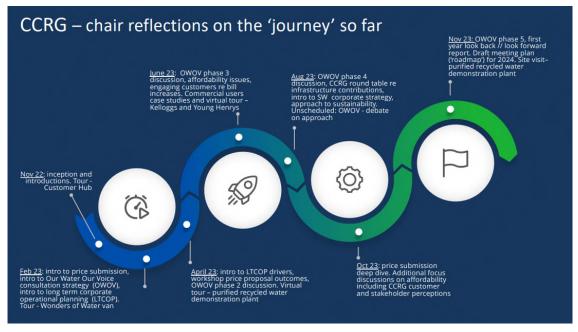
(Appendix 3: CCRG Member Activities).

6. CCRG activities over the last 12 months:

CCRG meetings are held bi-monthly, with 7 meetings over the reporting period including an induction in November 2022. (Appendix 4 - Customer and Community Reference Agenda Items).

While there has been a consistent approach to the structure of meetings to ensure that there is engagement regarding the key issues of customer engagement, business strategy and the pricing proposal, the agenda has also varied to enable matters of interest to customer representatives to be debated e.g. infrastructure contributions, and to ensure that the views of different participants and the groups they represent are put forward and explained for others eg people with financial difficulties, First Nations people, older people (see examples above).

The infographic below provides a symbolic representation of the 'journey' of the group from inception through introduction to a range of increasingly complex issues. It is noted that CCRG members have put forward for debate on more than one occasion matters where their views differ from that of Sydney Water, at which time these concerns have been openly discussed both in the meetings and at supplementary out of session discussions.



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Meeting minutes:

Minutes of each meeting are published on the Sydney Water website https://www.sydneywater.com.au/about-us/our-people/who-we-are/customer-forums.html

Attendance at meetings:

Attendance at meetings, which have all been held in-person, has been excellent. There is a very high level of engagement from members.

Sydney Water staff have been in attendance as needed, with consistent support from the CCRG Secretariat, including the General Manager Customer and Stakeholder Engagement and Head of Customer and Strategic Insights. The Sydney Water Managing Director has been present and participated at all but one CCRG meeting in the reporting period.

Board directors have attended meetings in an observer capacity.

Site visits:

A number of site tours and virtual tours were undertaken during the year, viz:

Tour of the Customer Hub, Parramatta (18 November 2022)

The CCRG were introduced to the various areas of activity within the Customer Hub, including faults tracking and monitoring, analytical reviews and forecasting, incident management and customer response. Interactive discussion took place during the tour, enabling CCRG members to clarify activities and methods of working.

Wonders of Water van (13 February 2023)

CCRG members visited the Wonders of Water Van, which forms part of the Sydney Water education program. The van helps school students and the community understand how Sydney Water makes water safe to drink, how cities around the world harvest their water resources, and how water is recycled.

Purified Recycled Water virtual tour (3 April 2023)

Sydney Water provided an update on the Purified Recycled Water demonstration plant then under construction. It was explained that the demonstration plant will include a customer experience centre which outlines the why, options, explores the treatment process and what the future might look like.

Water conservation and business customer case studies: Kelloggs and Young Henrys (5 June 2023)

Two short videos on Sydney Water's conservation work with Kelloggs and Young Henrys demonstrated that while non-residential customers make up a small percentage of Sydney Water's overall customer base, they consume 23% (almost one quarter) of all potable water created every day. They also discharge wastewater in volumes and quality that present a disproportionate level of risk to the health of people, assets, and the environment. Investment in water conservation initiatives for non-residential customers is important in times of drought (reduced supply) or drought pricing (increased cost). Businesses need to be prepared with a multifaceted approach needed, including improved water literacy.

Purified Recycled Water Demonstration Plant (27 November 2023)

An **actual site visit** to the newly opened *purified recycled water demonstration plant at Quaker's Hill* was undertaken in November 2023. The site visit showcased the workings of the demonstration plant as well as educational facilities setup to support the demonstration.

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Board showcase:

The independent chair together with two members (Mary Karras and Steven Collins) were invited to present to the Board at their September 2023 meeting regarding the establishment, opportunities and challenges of the CCRG to date. The presentation was informal, discursive in nature, and well received.

7. Focus for next 12 months

A schedule of bi-monthly meetings has been agreed for the forthcoming reporting period, and a draft 'roadmap' of topics to be addressed has been developed. Participant input is being sought in order to refine this structure.

2024 CCRG Meeting dates/times (Draft - subject to change)

Monday 19 February 2024 9am- 2pm*	
Monday 8 April 2024 9am-2pm*	
Monday 3 June 2024 9am-2pm*	
Monday 5 August 2024 9am-2pm*	
Monday 30 September 2024 9am-2pm*	
Monday 11 November 2024 9am - 2pm*	

^{*}Length of CCRG meetings to be confirmed.

8. Appendices

Appendix 1 - Customer and Community Reference Group Membership Skills Matrix

Appendix 2 - Examples of CCRG input informing business outcomes

Appendix 3 - Key involvement of CCRG members activities

Appendix 4 - CCRG Agenda Items

Signature of chairperson:	Alm
Date:	19/02/2024

Appendix 1 - Customer and Community Reference Group Membership Skills Matrix

#	CCRG Member	Member Organisation	Broad Customer Perspective	
Chair	Abigail Goldberg	N/A - Independent Chair	N/A	
1	Douglas McCloskey	Public Interest Advocacy Centre (PIAC)	Financial Hardship / Social Advocacy	
2	Graham Turner	Council on the Ageing (COTA)	Aged / Disability	
3	Steven Collins	N/A - Individual	First Nations	
4	Ross Williams	Local Govt Association	Local Government / Council	
5	Mary Karras	Ethnic Communities Council (ECC)	Cultural and Linguistically Diverse communities	
6	Stephen McMahon	Urban Development Institute of Australia (UDIA)	Developers	
7	Anna Bacik	N/A - Individual	Regional – Illawarra Social advocacy	
8	Bruce McClelland	Business Western Sydney (BWS)	Business - Western Sydney	
9	Leigh Martin	Total Environment Centre (TEC)	Environment and urban ecology	
10	Inaara Jindani	N/A - Individual	Youth and urban resilience, tenant perspective	
11	Narelle Brown	N/A - Individual	Customer advocacy and consumer financial management	
12	Donna Rogers	Community Industry Group (CIG)	Community services and social justice (family, child, housing and homelessness) Regional - Illawarra	

Appendix 2 - Examples of CCRG input informing business outcomes

CCRG Feedback	Change to business outcomes
Advised Sydney Water to produce a summary of the Customer Engagement Framework suitable for a customer and community audience and provided material recommendations.	Significant changes and edits were introduced following CCRG input which led to the development of Customer Highlights brochure "Our Water, Our Voice We'd like to hear from you". This brochure has been published on our website .
CCRG input has provided a customer lens to inform and shape aspects of the Our Water Our Voice program and engagement materials. The CCRG reviews and assists in the design of customer engagement activities and materials, including session plans, discussion guides, stimulus and questionnaire. CCRG input: Advised Sydney Water to ensure that the Customer Engagement is sufficiently broad and representative of community diversity. Review of Phase 1 and Phase 2 reports (out of session) and comments provided. CCRG to attend Phase 3 workshops as observers and provide feedback. Substantial input into the design of phase 4 Our Water Our Voice engagement materials. Input into the design of Phase 5 Deliberative Panels through a joint workshop with Sydney Water and our research partner. Review of revised material for Phase 5 Deliberative Panel. Participation in Phase 5 Rehearsals ahead of Deliberative Panel. The CCRG have provided substantial input to this program through discussion at meetings and subgroup meetings, providing comments on forum session plans and stimulus and by observing customer forums, mini focus groups and the Phase 5 Deliberative Panel sessions (currently still in progress).	Our customer engagement program is continually evolving and improving through feedback from the CCRG. A sub-group of CCRG members are heavily involved in the design of Phase 5 of the program to ensure that a genuine deliberative approach is taken. In response to feedback from CCRG (and other stakeholders, IPART and URA) Sydney Water has significantly revised the Phase 5 Customer Engagement program.
Provided suggestions to streamline and prioritise key messages for New and Emerging communities.	Significant changes and edits to key messages and visuals were introduced following CCRG input. "New Arrivals and Emerging Communities" brochure was developed and

	translated into Nepalese and Arabic (Sudanese form) and are available for distribution with the Wonders of Water Van.
CCRG input to the Long Term Capital and Operating Plan. The CCRG helped Sydney Water:	Feedback discussed at previous meetings of the CCRG was used in shaping the final LTCOP plan, which has now been submitted to the state government.
 Improve how we explain our current water servicing context from a customers' perspective – for example how important water conservation is outside of drought and how past efforts have meant we have avoided building unnecessary infrastructure. Embrace an 'all options on the table' mentality to water supply augmentations (e.g. explain how purified recycled water could be implemented in Sydney and the pro's and con's of the approach). Explain the range of key investments to respond to customer priorities at different timeframes, rather than presenting only long term outcomes 	The LTCOP is more reflective of customer priorities and written through a customer lens.
CCRG feedback was sought to test key messages in customer communications (flyers) about Purified Recycled Water and also to inform the stakeholder engagement list.	Updates to Purified Recycled Water flyers and the stakeholder engagement list made. The input provided by the CCRG provided a customer lens to key messages and layout of the brochures.
CCRG feedback was provided on Sydney Water's draft Customer Charter	Feedback was considered and updates incorporated for review by the Executive in Sept 2023. The <u>Customer Charter</u> was published on the Sydney Water website in October 2023 and the communication plan is being delivered.
The CCRG participated in the CCRG April 2023 'Price Proposal' workshop on draft customer outcomes and metrics and the CCRG October 2023 'Linking our strategic planning framework to customer outcomes' workshop and Affordability discussion.	CCRG feedback was incorporated into the Customer Outcomes material ahead of a planning day with the Board and Executive. Feedback will also be incorporated into the Customer Outcomes which will be presented to customers in Phase 5 of the Customer Engagement and ultimately used for the Price Proposal submission.

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See Appendix 3: CCRG Member Activities

CCRG members have attended (as observers) various customer forums and focus groups as part of Sydney Water Customer Engagement program, 'Our Water Our Voice'.

CCRG member have also played active roles in the following activities:

Member	Activities		
Anna Bacik	Infrastructure Contributions Panel Discussion On-line Subgroup meetings and review of materials Phase 5 Customer Engagement Rehearsals		
Narelle Brown	On-line Subgroup meetings and review of materials Affordability Customer Q&A		
Steven Collins	On-line Subgroup meetings Sydney Water Board Meeting Out of Session discussion with Simon Granville ahead of the RAP agenda item Affordability Customer Q&A		
Inaara Jindani	On-line Subgroup meetings Sydney Water People Leaders Forum Out of Session discussion with Josh Isben and Paul Higham on Youth Advisory boards All Day Phase 5 Customer Engagement Planning Workshop with Sydney Water		
Mary Karras	On-line Subgroup meetings and review of materials All Day Phase 5 Planning Workshop with Sydney Water Sydney Water Board Meeting Phase 5 Customer Engagement Rehearsals		
Leigh Martin	Infrastructure Contributions Panel Discussion		
Bruce McClelland	Sydney Water People Leaders Forum Infrastructure Contributions Panel Discussion		
Douglas McCloskey.	On-line Subgroup meetings and review of materials Infrastructure Contributions Panel Discussion All Day Phase 5 Planning Workshop with Sydney Water Phase 5 out of session meetings and feedback with Sydney Water and Kantar Phase 5 Customer Engagement Rehearsals		
Stephen McMahon	Infrastructure Contributions Panel Discussion		
Graham Turner Out of session feedback on Customer metrics Affordability Customer Q&A			
Donna Rogers	Infrastructure Contributions Panel discussion sum up		
Ross Williams	On-line Subgroup meetings and review of materials All Day Phase 5 Planning Workshop with Sydney Water Reflections on CCRG Year in review		

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Appendix 4 - Customer and Community Reference Agenda Items

Date	CCRG Agenda Segments and Items				Comments	
	Customer Engagement	Strategic planning	Price Proposal	Tour		
Nov 2022	Customer Engagement update	Sydney Water Strategic framework, strategy and blueprints	IPART regulatory framework review. Sydney Water Economic model	Tour of Customer Hub	First meeting of the CCRG. Focus on welcome, introductions, purpose and objectives of CCRG and induction to Sydney Water	
Dec 2022 - subgroup	Our Water Our Voice research program (scope and objectives, methodological approach and representation)					
Feb 2023	Community engagement (education) content for new arrivals to Australia Customer Engagement framework and update	Draft Long-Term Capital and Operating Plan (LTCOP) key drivers Water conservation plan	Price proposal update	Tour of the Wonders of Water Van		
Mar 2023 - subgroup	Our Water Our Voice – Developing the Customer Engagement summary document					
Apr 2023	Community engagement (education) content for new arrivals to Australia Customer engagement update	Long Term Capital and Operational Plan (LTCOP) drivers update Aligning Long Term Capital and Operational Plan (LTCOP) with customer preferences	Price proposal update (workshop on customer outcomes and draft metrics)	'Virtual Tour': Purified Recycled Water Update	Pulse Check Observers: Grant King (Board Chair) Cameron Robertson (Non- Executive Director)	
Apr 2023 - subgroup	Planning for Customer Engagement Phase 4					

Date	CCRG Agenda Segments and Items				Comments	
	Customer Engagement	Strategic planning	Price Proposal	Tour		
Jun 2023	Community engagement and education for Purified Recycled Water and future water augmentation Our Water, Our Voice Customer engagement update	Water Conservation Plan to 2030 Roadmap Long Term Capital and Operational Plan (LTCOP) customer preferences alignment update Greater Sydney Water Strategy	Engaging customers on future bill increases Our payment assistance program Price proposal update	'Virtual Tour': Water conservation and business customers. Case Studies: Kellogg's and Young Henrys	Observer: Greg Couttas (Non-Executive Director)	
Aug 2023	Our Water, Our Voice Customer engagement update Draft Customer Charter Reconciliation Action Plan	Panel Debate: What Infrastructure Contributions mean for stakeholders. Long Term Capital and Operational Plan update United Nations Global Compact reporting and sustainability.	Price proposal update Operating Licence Review	N/A – Panel Debate held in lieu of a tour.	Observers: Dr Susan Petterson (Non- Executive Director) Prof Mary O'Kane (Non-Executive Director) Jamie Hollamby, GM Fin & Perf	
Aug 2023 - subgroup	Customer Engagement Phase 5 Planning Workshop with Sydney Water and Research Partner					
Oct 2023	Our Water, Our Voice Customer engagement update	Workshop: Customer Outcomes	Price proposal workshop - Affordability		Observers: Kate Dryden (Non-Executive Director) Jamie Hollamby, GM Fin & Perf	
Nov 2023 - subgroup	Customer Engagement Phase 5 Rehearsals with Sydney Water and Research Partner ahead of Customer Deliberative Panel					
Nov 2023	Our Water, Our Voice Customer engagement update			Tour of the Purified Recycled Water Demonstration Plant Presentation from Water Services Association of Australia - Global context for rainfall-independent water supply, including purified recycled water.	Year in Review, Year Ahead Observers: Cameron Robertson (Non- Executive Director)	