PLANNING for the FUTURE

Gippsland Water

People's Panel
Response to recommendations

November 2026


STEP 2. SHARE YOUR LEARNINGS
20 MINS
IN YOUR SMALL GROUP
Discuss what you've read in
allocated sections - you'
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What's standing out th
important to kn
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Message from Board Chair and Managing Director

Thank you for the time, care and commitment you've brought to our People's Panel.

Throughout the process, you've engaged with great spirit and insight on the opportunities and challenges facing our organisation. You've shared valuable perspectives about what matters most to our customers and the wider community.

We recognise the significant work involved in developing your recommendations. They reflect your careful consideration, constructive discussions and strong commitment to achieving the best possible outcomes for our region.

We've thoroughly reviewed your draft recommendations and this document sets out our response.

While there's further work to be done from our end to assess the various impacts our promise remains to implement them to the maximum extent possible.

Thank you again for your contribution. Your work will shape our Price Submission and strategic focus for the next five years and beyond.



Sarah Cumming

Managing Director

Tom Mollenkopf AO

Chair of the Board

Our response to draft recommendations

Thank you for all your hard work to date. It has been amazing to see your thinking come together into draft recommendations.

We have prepared our responses, grouping them into four key themes. We've responded directly to the draft recommendations, but also highlighted areas that we think still need further consideration from the panel.

Theme one is service standards, which has come through in the panel's recommendation about maximising direct employment.

Theme two is digital meter roll out.

Theme three is about our approach to bill increases (upfront, annual or partial upfront bill increase). This theme has been added based on what we've been hearing from panel members in the room but have not yet seen come through as a stand-alone recommendation (although key elements were present in recommendation six, which has been recommended for deletion by the panel). Theme three includes a proposal for meeting in the middle between an upfront and smoothed increase to bills. We're wondering what the panel thinks about this.

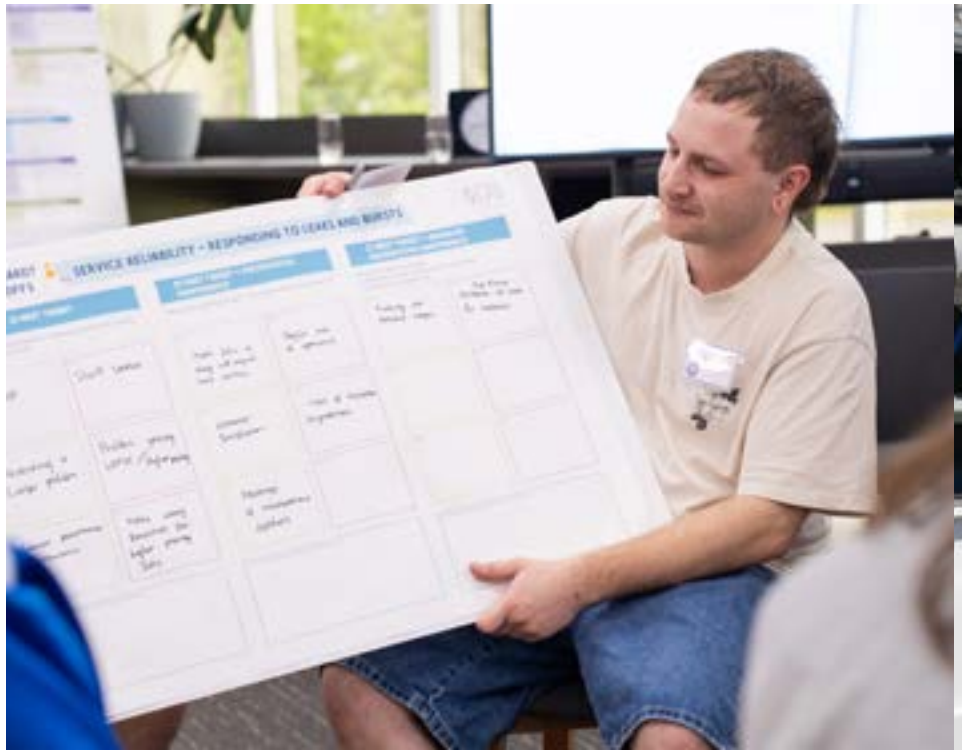
Theme four has brought together several panel recommendations that strongly align to work we already do. We've grouped them together for simplicity. This includes the following recommendations:

- (2) App Accessibility - User Friendly
- (5) Inform all customers of payment options
- (7) Strengthen collaboration with water industry and catchment management
- (8) Communication regarding services and repairs
- (9) Starting another profitable income generating business, not necessarily a water-related business appropriate for GW's culture

We have not responded to recommendation three, Wastewater Meters are not Viable, as the panel has recommended this for deletion. We support the deletion of this recommendation.

We would like the panel to consider our response to recommendation six (outlined in theme three above) and whether this reflects the panel's intent.

For all themes, we have provided the potential bill impact options in dollars, as well as the number of jobs created, picking up on the panel's strong theme about maximising direct local employment.





Customer profiles

We'll use these profiles to show how recommendations may impact the bill of different customers in our community.



Weekly household income

$933

Mary's 68 years old. She's on an aged pension with a concession card. Mary and her husband live in Warragul. They own their house.

Current weekly bill

$22.11



Weekly household income

$1,060

Allie's 39 years old and on a disability pension. She is single and lives in Sale with her two kids. Allie is currently renting. (Income assumes eligible for additional support for children.)

Current weekly bill

$4.28



Weekly household income

$2,500

Joe's 40 years old. He works in IT at a government department and lives in Traralgon. His partner works as a teacher. Joe and his partner own the house they live in. They also have an investment property in Churchill. (Income doesn't include rent from investment property.)

Current weekly bill (home)

$29.45

Current weekly bill (investment property)

$21.50



Weekly household income

$1,250

Dan's 50 years old. He has a full time job as a labourer and lives in Trafalgar. Dan has a wife and three kids. They mortgage the house they live in. (Income assumes not eligible for additional support or concession.)

Current weekly bill

$29.45



Weekly household income

$901

Liliana's 21 year old. She works full time at a fast-food restaurant. Liliana lives in Moe and is currently renting.

Current weekly bill

$7.95



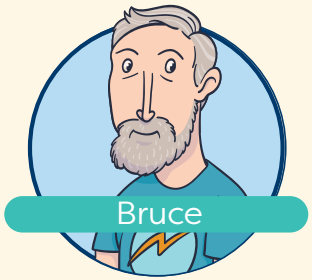
Weekly household income

$731

Andrew's 70 years old. He's single and on an aged pension with a concession card. He is currently renting and living in Morwell.

Current weekly bill

$4.28



Weekly household income

$619

Bruce is 70 years old. He's single and on an aged pension with a concession card. He owns his own home in Drouin.

Current weekly bill

$22.11

Theme 1: Maximising direct employment

End of Day 4 Recommendation	Reflecting on the panel's Day 3 and 4 materials, we noted the panel said... and that it was important because...		Given all of this, we think this means... and we'd propose to... The impact could be...			
	The panel said	This was important because	We think this means	We propose to	Direct employment impact (# jobs)	Bill impact ($) (meet in the middle)
Maximising direct employment (Recommendation 1)	"Directly employing staff" (Draft report, Day 4) "Overall costs are lower" (Draft report, Day 4) "Beneficial for the local economy" (Draft report, Day 4) "Utilise increase in team and fleet to prioritise preventative maintenance." (A3 draft, Day 4) "Roll out an updated preventative maintenance schedule based on team volume and adjusted travel and workload." (A3 draft, Day 4) "Look after employees by providing a safe workplace and environment". (Idea 1, card #21, Day 3) "Employing local staff/workers endorses the effort to train in-house workers and supports local economy." (A3 draft, Day 4) "Recruit people from high-risk areas/high leaks. They know the area and are close by." (A3 draft, Day 4) "Minimise contractors and maximise direct employment." (Recommendation 1, A3 draft, Day 4)	"Not losing sight of future preparations/ preventions." (A3 draft, Day 4) "Focusing on P3/KPI targets, for example LEAN principles in field." (A3 draft, Day 4) "The benefits of spending more are fewer outages, faster repairs, better taste (perceived water quality) and reduced risk of bill shock from leaks (digital meters)". (Recommendation 6, A3 draft, Day 4) "Directly employed locals have community connections and are likely to stay in the area, permanent staff costs less than hiring contractors or consultants" (Draft report, Day 4) Hiring local staff shows a business is investing back in the locals who live in the area (Draft report, Day 4) Local knowledge can mean jobs that come up can be completed quickly (Draft report, Day 4) "When you have full-time staff you have a guaranteed workforce and can plan properly for current and future events." (Recommendation 1, draft report, Day 4) "Overall costs are lower." (Recommendation 1, draft report, Day 4) "Beneficial for the local economy." (Recommendation 1, draft report, Day 4)	**Maximising direct employment, including increasing direct employment to meet P3 service targets and do more preventative maintenance.** We think the panel supports us to increase our staff, to better meet our current service targets and increase the amount of preventative maintenance we do over time.	Increase our staff levels to help us meet our service standards for leaks and bursts, in line with Option 2 for service reliability from 2028/29. This will help us to meet our service standard commitment andperform maintenance on more valves.	Nine jobs over five years. From 2028/29, Option 2 employs seven staff (six multi-skilled operators and a coordinator) and vehicles. Moving to option 3 from 2030/31 employs an additional two staff, bringing the total to nine (eight multi-skilled operators and a coordinator) and vehicles.	$10.75 increase in year 1. $0.16 annual increase in years 2 to 5.
			We should prioritise direct employment over using contractors, where it is more cost efficient.	Further increase our preventative maintenance from 2030/31, in line with Option 3, which will include additional mains cleaning.		

How our proposed changes would affect customers' weekly costs for our services

These estimates include option 2 in 2028-29 moving to option 3 from 2030-31 for service reliability

Mary



Current	$22.11
2028-29	$24.98
2032-33	$26.98

Liliana



Current	$7.95
2028-29	$8.73
2032-33	$9.26

Joe



Home:

Current	$29.45
2028-29	$32.32
2032-33	$34.31

Investment property:

Current	$21.50
2028-29	$23.59
2032-33	$25.05

Allie



Current	$4.28
2028-29	$5.06
2032-33	$5.60

Bruce



Current	$22.11
2028-29	$24.98
2032-33	$26.98

Dan



Current	$29.45
2028-29	$32.32
2032-33	$34.31

Andrew



Current	$4.28
2028-29	$5.06
2032-33	$5.60

Theme 2: Digital meter roll-out

	Reflecting on the panel's Day 3 and 4 materials, we noted the panel said... and that it was important because...		Given all of this, we think this means... and we'd propose to... The impact could be...			
End of Day 4 Recommendation	**The panel said**	**This was important because**	**We think this means**	**We propose to**	**Direct employment impact (# jobs)**	**Bill impact ($) (meet in the middle)**
Digital meter roll out (Recommendation 4)	"Digital meters will help detect leaks early for customers and prevent extra cost for customers." (Draft report, Day 4) "Slight increases over a eight year period mean a lower bill increase over a longer period." (Draft report, Day 4) "The trade-off being made is the gradual price increase to support the installation of the new digital meters. We are proposing all new housing estates should be fitted on building completion with a digital meter even if the district isn't due for current role out." (Draft report, Day 4) "Data from Gippsland Water plus lived experience of bills and how cost increases effect the community have made us decide this is the most efficient and effective way to implement this new roll out." (Draft report, Day 4) "8-year plan with Drouin and Warragul as priority." (A3 draft, Day 4) "Drouin and Warragul is a must in any rollout schedule due to it being the best ROI (return on investment) through water purchase costs." (Feedback on the A3 draft, Day 4) "8-year rollout." (Feedback on the A3 draft, Day 4) "Prefer 8-year rollout." (Feedback on the A3 draft, Day 4) "I like the slow rollout, but prefer the 8-year plan." (Feedback on the A3 draft, Day 4) "Meter rollout - 8 year, to fairly share billing with all users" (Recommendation 6, Draft report, Day 4)	"The slower role out and gradual increase helps prevent sudden bill shock and helps show the customers how the increase will help and support cheaper bills into the future." (Draft report, Day 4) "Digital meters installed in all new Gippsland Water estate catchments will... set up for the future from the get go." (Draft report, Day 4) "This system gives the power back to the customer and helps provide autonomy." (Draft report, Day 4) "Cost efficient for consumer and provider." (A3 draft, Day 4) "Risk balanced." (A3 draft, Day 4) "Fewer failures and more satisfaction (consumer and provider)." (A3 draft, Day 4) "Less water wastage." (A3 draft, Day 4) "Warragul and Drouin stop purchasing water from external supplier." (A3 draft, Day 4)	**Delivering our digital meter rollout over 8 years, prioritising properties in Warragul and Drouin.** We understand that the panel sees value in digital meters because they can help find leaks earlier, reduce unexpected bills, provide better information about water use and help conserve water. They will modernise our assets, support more accurate billing, create more efficient services and enable better planning for our future water needs. The panel prefer the eight-year digital meter rollout with strong support for prioritising Warragul and Drouin, as well as installing digital meters in new developments. The panel want us to balance the speed of rollout against bill impacts, fairness and when customers receive the benefits. Prioritising Warragul and Drouin brings forward benefits for the system that requires purchased water from Melbourne Water. This benefits all customers.	Progress an eight-year digital meter rollout, prioritising properties in Warragul and Drouin. Stage the rollout to progressively deliver across towns and networks. Install digital meters in new housing developments where practical, noting they will operate as regular meters until the broader digital network for that town is activated. Keep customers informed about when digital meters are coming to their area and what the change means for them.	The eight-year option employs seven Gippsland Water staff and includes a new truck during 2028–33. One further job will be added in 2033–38.	$2.91 increase in year 1. $0.04 annual increase in years 2 to 5. From 2033 this would be an upfront increase of $13.81.

How our proposed changes would affect customers' weekly costs for our services

These estimates are based on an eight-year digital meter roll out that prioritises Warragul and Drouin.

Mary



Current	$22.11
2028-29	$24.83
2032-33	$26.97

Liliana



Current	$7.95
2028-29	$8.69
2032-33	$9.26

Joe



Home:

Current	$29.45
2028-29	$32.17
2032-33	$34.31

Investment property:

Current	$21.50
2028-29	$23.48
2032-33	$25.04

Allie



Current	$4.28
2028-29	$5.02
2032-33	$5.60

Bruce



Current	$22.11
2028-29	$24.83
2032-33	$26.97

Dan



Current	$29.45
2028-29	$32.17
2032-33	$34.31

Andrew



Current	$4.28
2028-29	$5.02
2032-33	$5.60

Theme 3: Upfront, annual or partial bill increase

	Reflecting on the panel's Day 3 and 4 materials, we noted the panel said... and that it was important because...		Given all of this, we think this means... and we'd propose to... The impact could be...			
End of Day 4 Recommendation	**The panel said**	**This was important because**	**We think this means**	**We propose to**	**Direct employment impact (# jobs)**	**Bill impact ($) (meet in the middle)**
People are varied in their preference for pace and bill increases (Recommendation 6)	"Cost balanced for consumer." (Recommendation 4, A3 draft, Day 4) "Seems like conceptually that "meet in the middle" is not a siloed idea but a mantra to apply to other ideas. Supporting the "whats" of other ideas." (Recommendation 6, feedback on the A3 draft, Day 4) "Need a clearer recommendation. The last line in description I agree with, not sure what the recommendation is though" (Recommendation 6, feedback on the A3 draft, Day 4)	"People are varied in their preference for pace of bill increases." (Recommendation 6)	**Meet in the middle on the customer bill increases with a balance between upfront and smoothed.** Over the four days, the panel has regularly spoken about avoiding bill shock and "meeting in the middle". The panel has not specifically included a recommendation on which option it would prefer. We'd like the panel to reconsider, as we think this line of thinking is important, and we're seeking clear advice from the panel on how the increase on customer bills should be applied. Based on what we've heard, we think a "meet in the middle" approach could be appropriate. This could look like a partial upfront increase and a lower annual increase smoothed over years 2 to 5.	We propose a "meet in the middle" option that applies a partial upfront increase on the bill and then a lower annual increase in years 2 to 5. Year 1 would see an upfront increase of between 6.4-10%. Years 2-5 would see an increase of 1.5% per year. This includes the cost of draft recommendations on digital meters service standards and increased promotion of customer support.	This captures the increased jobs outlined in other draft recommendations.	Excluding CPI the lowest increase is $98.34 in year 1 and $24.09 annually in years 2-5. The total average owner occupier bill would be $1,629 in year 1 and $1,726 by year 5. The highest increase is $153.14 in year 1 and $24.93 annually in years 2-5. The total average owner occupier bill would be $1,684 in year 1 and $1,784 by year 5.

How our proposed changes would affect customers' weekly costs for our services

These estimates include all of the additional costs within themes 1, 2 and 4.

Mary



Current	$22.11
2028-29	$25.06
2032-33	$26.98

Liliana



Current	$7.95
2028-29	$8.75
2032-33	$9.26

Joe



Home:

Current	$29.45
2028-29	$32.39
2032-33	$34.31

Investment property:

Current	$21.50
2028-29	$23.65
2032-33	$25.05

Allie



Current	$4.28
2028-29	$5.08
2032-33	$5.60

Bruce



Current	$22.11
2028-29	$25.06
2032-33	$26.98

Dan



Current	$29.45
2028-29	$32.39
2032-33	$34.31

Andrew



Current	$4.28
2028-29	$5.08
2032-33	$5.60

Theme 4: Gippsland Water continues its focus on...

	Reflecting on the panel's Day 3 and 4 materials, we noted the panel said... and that it was important because...		Given all of this, we think this means... and we'd propose to... The impact could be...			
End of Day 4 Recommendation	**The panel said**	**This was important because**	**We think this means**	**We propose to**	**Direct employment impact (# jobs)**	**Bill impact ($) (meet in the middle)**
App Accessibility - User Friendly (Recommendation 2)	"The app and easy accessibility/ reliability are so important." (Recommendation 2, A3 draft, Day 4) "Continue to have non-electronic options eg paper/ post office/ cash, email." (Recommendation 2, draft report, Day 4)	"More accessibility, options, conveniences, awareness (financial aid/ support)." (Recommendation 2, draft report, Day 4) "Not all customers won't(sic) be comfortable with information being online (home address, financials, private information). (Recommendation 2, draft report, Day 4)	**Gippsland Water continues its focus on delivering a user-friendly app.** We understand that the panel is asking us to continue to maintain a range of payment methods when the app is rolled out. We'll consider the detailed feedback for future iterations of the app.	**Combine recommendations 2,5,7,8 and 9 where the panel has provided an endorsement to continue to the work we already do.** We will continue rolling out our app, because our functionality is consistent with customer input as well as the panel's feedback. All existing payment options would continue to be available.	Already resourced.	Fully funded, currently being delivered.
Inform all customers of payment options (Recommendation 5)	"Improve current information pathways - so every customer is aware of the options." (Recommendation 5, draft report, Day 4) "Aim to reach customers earlier that are struggling." (Recommendation 5, draft report, Day 4)	"Early intervention" "Prevent debt/hardship" "Support the community" (Recommendation 5, A3 draft, Day 4) "Prevention is better than the cure" (Recommendation 5, A3 draft, Day 4) "Less stress." (Recommendation 5, A3 draft, Day 4)	**Gippsland Water continues its focus on informing all customers of the payment support options.** We understand that the panel is asking us to reach more people in need as early as possible, to let them know what payment and support options are available.	**Combine recommendations 2,5,7,8 and 9 where the panel has provided an endorsement to continue to the work we already do.** We will continue to proactively inform customers of what payment and support options are available. Does the panel want us to invest more to do this? For example an extra $80,000 spend per annum is $1 on every customer bill per year.	No increase in positions, work delivered by existing team.	$0.96 in year 1. $0.01 annually in years 2-5.

Theme 4: Gippsland Water continues its focus on... (continued)

	Reflecting on the panel's Day 3 and 4 materials, we noted the panel said... and that it was important because...		Given all of this, we think this means... and we'd propose to... The impact could be...			
End of Day 4 Recommendation	**The panel said**	**This was important because**	**We think this means**	**We propose to**	**Direct employment impact (# jobs)**	**Bill impact ($) (meet in the middle)**
Strengthen collaboration with water industry and catchment management (Recommendation 7)	"Continue to engage with other water authorities and seek further opportunities to collaborate when it is mutually beneficial." (Recommendation 7, draft report, Day 4)	"Following this recommendation is likely to lead to some cost savings and less risk of a shock bill increase, even though it requires more time from management." (Recommendation 7, draft report, Day 4) "It is possible that this is not the most efficient use of staff time." (Recommendation 7, draft report, Day 4) "Gippsland Water staff have highlighted their discussions with industry bodies and water authorities." (Recommendation 7, draft report, Day 4)	**Gippsland Water continues its focus on collaborating with water industry.** We understand that the panel is asking us to continue to engage with other water corporations and seek further opportunities to collaborate when it is mutually beneficial.	**Combine recommendations 2,5,7,8 and 9 where the panel has provided an endorsement to continue to the work we already do.** We will continue to engage with other water corporations and seek further opportunities to collaborate when it is mutually beneficial.	No increase in positions, work delivered by existing team.	Fully funded, currently being delivered.
Communication regarding services and repairs (Recommendation 8)	"Reliable and consistent communications." "Swift and transparent messaging." (Recommendation 8, A3 draft, Day 4) "Reliable and consistent communication, swift transparent messaging. Careful consideration for people with learning disabilities, or elderly, or non-tech-savvy persons. These can be solved with phone calls, an app, info on bills, emails or letters. These methods can be tailored to the needs of the customer; it can lead to a level of trust and rapport." (Recommendation 8, draft report, Day 4)	"Customers require consistent and reliable communication, transparency and efficiency. Snap Send Solve seems to be a trusted method to reach these goals." (Recommendation 8, draft report, Day 4)	**Gippsland Water continues its focus on timely notification of service interruptions and repairs.** We understand that the panel is asking us to provide clear and timely communication regarding service interruptions and unusual changes in water use.	**Combine recommendations 2,5,7,8 and 9 where the panel has provided an endorsement to continue to the work we already do.** We will continue to deliver on our commitments which include: Send SMS notification for unplanned water interruptions exceeding one hour, between 7am-8pm, to customers with registered mobile numbers. The target is 95%. We will continue to receive and action customer requests via Snap Send Solve.	No increase in positions, work delivered by existing team.	Delivered within existing budget.

Theme 4: Gippsland Water continues its focus on... (continued)

	Reflecting on the panel's Day 3 and 4 materials, we noted the panel said... and that it was important because...		Given all of this, we think this means... and we'd propose to... The impact could be...			
End of Day 4 Recommendation	**The panel said**	**This was important because**	**We think this means**	**We propose to**	**Direct employment impact (# jobs)**	**Bill impact ($) (meet in the middle)**
Starting another profitable income generating business, not necessarily a water related business appropriate for GW's culture (Recommendation 9)	"Debt = bad. We want positive income, not debt." (Recommendation 9, A3 draft, Day 4) "Starting another business only if its profitable. Are there easier ways to expand profit currently?" (Recommendation 9, draft report, Day 4) "Note that more business/commercial activity needs more risk. This aspect is concerning." (Recommendation 9, feedback on A3 draft, Day 4)	"Source of local employment." (Recommendation 8, draft report, Day 4) "Bills don't go up as much because of profit from business." (Recommendation 8, draft report, Day 4) "Invests into the future generations' benefit." (Recommendation 8, draft report, Day 4)	**Gippsland Water continues its focus on considering commercial opportunities.** We understand that the panel is asking us to continue to explore commercially viable opportunities.	**Combine recommendations 2,5,7,8 and 9 where the panel has provided an endorsement to continue to the work we already do.** We will continue to explore commercially viable opportunities, consistent with our current process and capacity, which include rigorous assessment of risk and reward.	No increase in positions, work delivered by existing team.	

How our proposed changes would affect customers' weekly costs for our services

These estimates include additional customer care advertising spend

Mary



Current	$22.11
2028-29	$24.80
2032-33	$26.97

Liliana



Current	$7.95
2028-29	$8.68
2032-33	$9.26

Joe



Home:

Current	$29.45
2028-29	$32.13
2032-33	$34.31

Investment property:

Current	$21.50
2028-29	$23.46
2032-33	$25.04

Allie



Current	$4.28
2028-29	$5.01
2032-33	$5.60

Bruce



Current	$22.11
2028-29	$24.80
2032-33	$26.97

Dan



Current	$29.45
2028-29	$32.13
2032-33	$34.31

Andrew



Current	$4.28
2028-29	$5.01
2032-33	$5.60

Our level of clarity on panel preferences

	Theme	Level of clarity
1.	Maximising direct employment	Medium. We wondering if we've interpreted the panel's intent correctly. Does the panel support maximising direct employment, including increasing direct employment to meet P3 service targets and do more preventative maintenance?
2.	Digital meter roll-out	High. Our interpretation is that the panel would like us to deliver our digital meter rollout over 8 years, prioritising Warragul and Drouin.
3.	Upfront, annual, or partial bill increase	Low. We need clarity from the panel. We're wondering if the panel supports meet in the middle on the customer bill increases with a balance between upfront and smoothed.
4.	Gippsland Water continues its focus on... • (2) App Accessibility - User Friendly • (5) Inform all customers of payment options • (7) Strengthen collaboration with water industry and catchment management • (8) Communication regarding services and repairs • (9) Starting another profitable income generating business, not necessarily a water-related business appropriate for GW's culture	High. We're wondering if the panel want us to invest more to reach people in need and let them know what payment and support options are available.

Summary of potential annual increase to customer bills

Initiative		2028-2033			
		Low Range Year 1 (2028)	High Range Year 1 (2028)	Low Range Years 2-5 (2029-2033)	High Range Years 2-5 (2029-2033)
1.	Maximising direct employment, including increasing direct employment to meet P3 service targets and do more preventative maintenance.	$10.75	$10.75	$0.16	$0.16
2.	Digital meter roll-out.	$2.91	$2.91	$0.04	$0.04
3.	'Meet in the middle' approach to bill increases (partial upfront increase on the bill and then a lower annual increase in years 2 to 5).	$83.72	$138.52	$23.88	$24.72
4.	Promotion of customer support program.	$0.96	$0.96	$0.01	$0.01
TOTAL		**$98.34 (6.4%)**	**$153.14 (10%)**	**$24.09 (1.5%)**	**$24.93 (1.5%)**

Gippsland Water

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