

ANNUAL PERFORMANCE PLAN - 2026/27

WHITSUNDAY WATER



OUR VISION & MISSION

Vision Statement

Working with our community to deliver sustainable water solutions that protect the Whitsundays' natural beauty and enable a resilient, liveable region.

Mission Statement

Providing essential water services that meet regulatory standards, operate sustainably in a commercial environment, and support a thriving Whitsunday Region—now and into the future.

Significant Business Activity

Whitsunday Water is considered a significant business activity of the Whitsunday Regional Council.

The business is responsible for providing water supply and sewerage (wastewater) services to the Whitsunday region, including the supply of potable water, and the collection and treatment of sewage.

Whitsunday Water aims to be responsive to customer's needs and to make a positive contribution to the social, economic, and environmental sustainability of the Whitsunday region.

As a Significant Business Activity under the Local Government Act, Whitsunday Water is required to operate in accordance with the state government's Code of Competitive Conduct.

This will be achieved through delivering excellent customer service, environmental management and efficient operations while maximising the return to Council.

Unit Objectives

The objective of this section of this Plan is to provide a succinct summary of the context within which Whitsunday Water operates and the outcomes that the business is targeting. In effect this section seeks to align the demands of external stakeholders (what they want the business to do) with the business capacity (what resources we have, to deliver) through an open and transparent discussion on willingness to pay.

External Drivers

Management of Local Government-owned water and wastewater service businesses has become progressively more complex in recent decades. Increased regulatory obligations, evolving community expectations,

reduced financial support from State and Commonwealth governments, and ongoing capacity constraints continue to place pressure on operations. In addition, external cost drivers - particularly water pricing structures and contract arrangements associated with supplemented scheme providers such as Sunwater - introduce further variability and financial risk that must be actively managed.

Legislative Obligations

Water and Sewer are subject to at least twelve different legislative Acts, which are administered by up to seven state agencies. Most of these regulations focus on the sustainable delivery of quality water services.

However, as a significant business activity, there is also a statutory imperative for Whitsunday Water to structure its operations to meet the Code of Competitive Conduct. In addition to the current regulatory framework, it is anticipated carbon accounting may provide additional constraints and opportunities for this business unit.

Community Expectations

Trust in government institutions has been on the wane for several decades. The community expects public institutions to be transparent, accountable, efficient, and effective. The public sector has tended to be slow to react to this change and, in some instances, we may have reached a point where the community neither understands nor values the services provided. Such a lack of understanding and engagement can prove a challenge for Council when difficult decisions need to be made.

The Growth Imperative

Councils play an essential role in facilitating the economic development of their region. The impact of Council activities in this regard are relevant at the state and national level.



However, too strong an emphasis on growth can inadvertently create challenges for the business either directly (i.e. growth outstripping Councils capabilities) or indirectly (through capital expenditure to support growth “crowding out” investment in the existing assets). Councils Local Government Infrastructure Plan (LGIP) attempts to balance the growth and service outcomes for the region through aligning growth with Councils Strategic Asset Management Plan (SAMP) and Long-Term Financial Forecasts (LTFF).

Service Reliability and Asset Management

The communities’ expectation is that services will remain sustainable over the long term. However, the water services business has experienced some unexpected challenges in managing its water service delivery to its customers.

Furthermore, networking planning and levels of service are crucial functions for Whitsunday Water as they ensure reliable, efficient, and sustainable water and wastewater infrastructure. This planning helps manage risks, optimise resource allocation, and maintain service quality for communities.

A key part of the solution to the issue of sustainable services is the establishment of an Asset Management and Network Planning Framework that develops and implements operational strategies which minimise the risk of disruption. A key part of the pathway forward outlined below is to ensure that the water and wastewater management strategies prescribe a sustainable service future and reflect the requirements of the International Standard for Asset Management (ISO 55000).

Non-Financial Targets

Operational Initiatives - Water & Sewerage

Project Name	Description
Prepare a Recycled Water Strategy	Current/Future Recycled water Demand and Growth Scenerios to 2046. Economic & Environmental analysis
Transition to the Capricorn Municipal Development Guidelines as the Development Control Manual	Introduce and apply the Asset Design As Constructed (ADAC) industry standard for how asset information is recorded and submitted ensuring all new asset information is accurate, consistent and digital ready, including implementation of ADAC Standard v6

Key Deliverables / Additional Services

Whitsunday Water operates in a dynamic environment with a range of operational, financial, and regulatory challenges, including:

- Raw water costs associated with supply from the relatively new Sunwater scheme
- Delivering required service standards across ageing infrastructure assets
- Servicing legacy areas with inherently inefficient network configurations
- Facilitating and enabling regional growth and development
- Managing evolving environmental considerations, including discharge to sensitive environments such as the Great Barrier Reef and the impacts of climate variability and climate change
- Responding to emerging contaminants of concern (including microplastics, PFAS and other trace compounds), which are an increasing focus of regulatory, environmental and public health frameworks and may require future changes to treatment processes, monitoring, and compliance obligations
- Maintaining long-term financial sustainability, including consideration of carbon reduction initiatives and the balance between internalisation and externalisation of associated costs

- Building organisational capacity, including workforce capability, skills development, and succession planning
- Managing increasing regulatory and compliance requirements
- Keeping pace with technological advancements and evolving practices within the water industry

Whitsunday Water recognises that the operating environment for water and sewerage services is increasingly dynamic, influenced by population growth, regulatory evolution, climate variability and rising community expectations. To remain effective and sustainable, the business must be adaptable and responsive to these changing conditions.

In response, Whitsunday Water is delivering a structured program of strategic planning and improvement initiatives designed to strengthen long-term service reliability, financial sustainability, and operational efficiency.

Completed and Ongoing Initiatives (2025/26)

The following key initiatives have been delivered or commenced during the 2025/26 financial year:

Completed:

- Telemetry (SCADA) Upgrade Strategy
- Biosolids Reuse Facility Strategy – Stage 1
- Proserpine Sewage Treatment Plant (STP) Master Plan

In Progress:

- Burdekin Regional Water Assessment
- Water and Sewer Operational Strategy and Network Plans
- Full Cost Pricing and Long-Term Price Path Development
- Whitsunday Water Network Modelling Optimisation Update
- Water Network Flow Continuity Assessment (multi-year program extending into 2026/27)

Planning Updates (2026/27)

A number of critical strategic and operational updates are scheduled for delivery in 2026/27 to build on this foundation:

- Water Asset Management Plan – Comprehensive Update
- Regional Water Strategy Update (including Bulk Water Strategy)
- Workforce Plan (including rostering and resourcing optimisation)
- Independent Water and Sewer Operational Efficiencies Review
- Sewer Manhole Monitoring Trial (including AI-enabled data analysis)
- Water Supply Borefield Optimisation Assessment
- Continuation of the Water Network Flow Continuity Assessment

Forward Program (2027/28)

Looking further ahead, the following major planning initiatives are proposed for 2027/28:

- Sewerage Asset Management Plan
- Cannonvale Sewage Treatment Plant (STP) Master Plan
- Pump Station and Facility Style Plan (including community engagement opportunities such as tours and educational initiatives)
- Regional Sewerage Strategy Update
- Biosolids Reuse Facility Strategy – Stage 2
- Smart Metering and District Metering Strategy

This coordinated program of work will ensure Whitsunday Water continues to:

- Maintain safe, reliable, and compliant water and sewerage services
- Plan for growth and evolving demand across the region
- Improve operational efficiency and asset performance
- Strengthen long-term financial sustainability
- Enhance transparency and service outcomes for the community

Outstanding Borrowings

Water

Loan Balance As At	June 26	2026/27					
Loan	Opening Balance as at 30 June 26 \$	Repayment \$	Closing Balance \$	Principal \$	Interest \$	Finance Cost \$	Final Due Date
WTP Projects	5,705,892	1,105,663	4,868,363	837,529	261,930	6,204	15-Jun-32
WRC Internal Loan	20,554,174	1,349,167	19,587,144	967,029	382,136	-	30-Jun-44

Sewerage

Loan Balance As At	June 26	2026/27					
Loan	Opening Balance as at 30 June 26 \$	Repayment \$	Closing Balance \$	Principal \$	Interest \$	Finance Cost \$	Final Due Date
STP Projects	11,567,835	2,351,257	9,801,838	1,765,996	572,710	12,549	13-Feb-32
Bowen STP 19/20	7,010,983	626,070	6,543,175	467,807	150,400	7,861	15-Jun-39
Bowen STP 20/21	4,186,899	341,654	3,923,541	263,358	73,593	4,702	15-Jun-40

Proposed Borrowings

Sewerage

Loan	Amount \$	Loan Year	Final Due Date
Proserpine STP Upgrade	4,306,500	FY 2026/27	30-Jun - 2037
Cannonvale & Proserpine STP Solar Arrays	1,302,000	FY 2028/29	30 Jun - 2039
Sewer Rising Main Upgrade CSPS 3 to Cann STP	3,904,000	FY 2031/32	30 Jun - 2042
Carlo Drive Recycled Water Main	2,502,500	FY 2034/35	30 Jun - 2055



Principal Assets

Water

Asset Categories	Active Quantity
Water Mains (km)	491.461
Water Treatment Plants	4
Water Pump Stations (Local Booster, High Lift, Low Lift, Intake)	17
Water Storage Sites (excluding storage at Water Treatment Plants)	16
Water Bores	14
Bulk Water Standpipe	4
Chlorination Facilities (outside of WTP/STP sites)	2
Telemetry Stations (Base and Repeater)	6

Sewerage

Asset Categories	Active Quantity
Sewer Mains (Gravity and Pressue km)	360.65
Sewer Nodes (Manholes, Vents, Lamp Holes, Inspection Openings)	5989
Sewerage Pump Stations	75
Chlorination Facilities (outside of WTP/STP sites)	4
Recycled Effluent Pump Stations	2
Waste Water Treatment Plant	4

Service Indicators

As required under the Water Supply (Safety and Reliability) Act, Customer Service Standards are published on an annual basis. These include the following:

Functional Levels of Service - Water (how the end user may define its experience)				
		Customer Group/s	Performance Measure	Perf. Target (recommended)
Supply Reliability	The water services network has the capacity to distribute sufficient supply to meet the needs of the region	Inside PIA and Critical Customers	Number of water main breaks (per 100km main)	40
		Outside PIA Customers	Number of water main breaks (per 100km main)	70
Service Disruption	Minimum disruption of water supply services to all ratepayers	Inside PIA and Critical Customers	Average frequency of unplanned interruptions per 1000 connected properties per year (No)	<10
		Inside PIA and Critical Customers	Response Time – Water Incidents (min)	240
		All (by Group, where possible)	Water service complaints per 1000 connections (No)	120
Water Pressure	Water pressure at the property boundary is sufficient for normal household use under normal operating conditions	Customers inside Priority Infrastructure Area (PIA)	% time DSS achieved	99%
Water Quality	Safe, high-quality drinking water is supplied to customers, and water issues (non –health related) such as taste, odour and discolouration are minimised	All	Water quality compliance guidelines used/ required (%)	100%
Water Security	Sufficient water is available (at the source)	All (by Group, where possible)	Real water losses (L/service conn/day)	100
		All (by Group, where possible)	Number water quality complaints (No)	100
		All (by Group, where possible)	Real water losses kL/km watermain/day	5
Value for Money	All customers inside the Priority Infrastructure Area (PIA) are getting “value for money” for the water services they receive	Customers inside Priority Infrastructure Area (PIA)	Pricing reflects efficient long run cost of production	100% Full Cost Recovery

Functional Levels of Service - Sewerage (how the end user may define its experience)			
		Performance Measure	Perf. Target (recommended)
Wastewater Quality	The standard of effluent treatment does not have an adverse impact on the regional environment	Licence compliance (mass load evaluation)	>=100%
Value for Money	All customers inside Priority Infrastructure Area (PIA) are getting “value for money” for the sewerage services they receive	Pricing reflects efficient long run cost of production	100% Full Cost Recovery
Supply Reliability	The water services network has the capacity to distribute sufficient supply to meet the needs of the region.	Number of sewerage main breaks and blockages (No)	40
		Number of sewer main breaks per 100km sewer main	70
		Number of sewage odour complaints	50
Service Disruption	Minimum disruption of sewerage services to all ratepayers	Average frequency of unplanned interruptions per 1000 connected properties per year (No)	<10
		(Average) Response/reaction time for incidents (sewerage) (Mins)	540
		All sewerage service complaints (all aspects of sewerage business)	300
Sewerage Overflow	Overflows to private property occur very rarely	Sewage overflow to customer property instances (no)	5
		Total number sewage overflows (per 100km sewer main)	5
		Sewage overflows reported to environmental regulator (total, annual)	2



WHITSUNDAY WATER AND THE COMMUNITY

Community Service Obligations (CSO)

Community Services Obligations (CSOs) are activities which the business is instructed to undertake on a non-commercial basis. Legislation requires the scope of CSOs to be identified by Whitsunday Water in its annual reporting. The scope of CSOs include:

Water Supply:

- Price concessions to select customer groups - \$160,245
- Support to community organisations, clubs, and sporting associations as per below:

Community Organisation & Groups supported by the Water Business	
Bowen Sports Complex	\$80,213
Bowen Turf Club	\$35,762
Total	\$115,976

Sewerage Services:

- Price concessions to select customer groups - \$165,946
- Access charges foregone - \$67,558
- Non-implemented charges - \$82,386
- Support to community organisations, clubs and sporting associations as per below:

Community Organisation & Groups supported by the Sewerage Business	
Bowen Golf Course	\$127,221
Collinsville Golf Course	\$48,586
Total	\$175,807



FINANCIALS

Notional Capital Structure, And Treatment of Surpluses

Whitsunday Water is a wholly owned Significant Business Activity of Whitsunday Regional Council. Whitsunday Water notional capital structure is via 100% equity funding from Council.

Any surpluses earned by a business activity of Council may be returned as a loan repayment, a dividend to Council (return to ratepayer) or reinvested in the business activity. Any return is in recognition that business units have been established to further the good governance of the region. Funds earned by Council through dividends are utilised to provide enhanced services and infrastructure to the Whitsunday region.

Funding of Capital Works

For the 2026/27 financial year, the capital works program will be funded through revenue generated by the business activity. Projects include:

Capital Works - Water

Description
All WTP Blower and VSD replacements
Bore Renewal Program (Bore 2 Replacement)
Bore Renewal Program (Bore 3 Replacement)
Bowen Reservoir
Bowen WTP Spears Upgrade
Cannon Valley Growth Corridor - Stage A & B RAF_C
Cannon Valley Reservoir Chlorine Dosing Facility
Cannonvale Reservoir - Cyclone Repair - Budget Allocation
Carlo Drive Trunk Water Mains Project
Coastal WTP Flow meter replacements
Coastal WTP Pump & Switchboard Upgrade
Coastal WTP Turbidity Meter Replacements
Collinsville WTP Chemical Dosing & Filter Automation
Collinsville WTP Electrical Switchboard Upgrade
Collinsville WTP Filter Automation and SCADA Integration
Collinsville WTP Generator input
Collinsville WTP Hypo Dosing Facility
Digital GPS with RTK

Capital Works - Water

Description
Emergent Works Water 26/27
Emergent Works Water Treatment 26/27
Facilities Instrumentation Electrical & Control Renewals Water
*Kara Crescent Pumped Zone
Lewis St Trunk Water Main Upgrade
Network Flow Meter Renewals
Network Instrumentation Electrical & Control Renewals Bowen Bore 7
Network Instrumentation Electrical & Control Renewals Bowen Bore 9
Network Instrumentation Electrical & Control Renewals Water Moonlight Dr WPS
Network Instrumentation Electrical & Control Renewals Water Moonlight Drive Res
Network Reconfiguration Island Dr WPS
Network Reconfiguration Parker Rd Twin Creek Crt Trader Crt
Parkwood HL Reservoir Rockfall Protection
Proserpine HL Res Trunk Water Main RAF_P Design
Proserpine PRV to Taylor St LGIP RAF_P
Proserpine Taylor to Horsford and Fuljames LGIP RAF_P
Proserpine WTP Additional Raw Water Supply - Northern Bores
Regional District and Water Meter Program 26/27
Regional Valve Program - Water
Regional Water Main Renewals
Regional Water Pump Replacement
Renwick Rd Trunk Water Main RAF_P
Waterson Way Trunk Water Main Upgrade LGIP

*Onsite works allow for planning to be pushed to an outer year

Capital Works - Sewerage

Description
All STP Blower and VSD replacements
Bowen South Corridor Stage 1 RAF_B
Bowen STP Poly batch system for GDD
Bypasses at Jasinique SPS (FTSPS04) and Upper Car Park SPS (SHSPS01)
Cannonvale SPS12 Upgrade
Cannonvale STP Bypass flow meter
Carlo Drive Trunk Sewer Mains Project
Emergent Works Sewer 26/27
Emergent Works Sewer Treatment 26/27
Facilities Instrumentation Electrical & Control Renewals Sewer
Network Instrumentation Electrical & Control Renewals Sewer
Proserpine Grit Manholes
Proserpine Sewer Treatment Plant Insurance
Proserpine STP Upgrade
Regional Sewer Relining P2
Sewer Manhole Monitoring
Sewer Manhole Renewals
Sewer Network Structural Renewals - BOWN SPS J
Sewer Network Structural Renewals SPS Relining
Sewer Network Telemetry Equipment Renewals - Bowen
Sewer Network Telemetry Renewals - Proserpine
Sewer SPS Pit Lid Renewals
Shingley Dr CSPS04 Switchboard Renewal
Southern STP Odour Control Systems
SPS Well Washers
STP Odour Containment Panels Replacement

Financial Targets

The financial report below outlines the estimated and projected financial performance for Whitsunday Water.

WHITSUNDAY REGIONAL COUNCIL STATEMENT OF ORIGINAL BUDGET BY BUSINESS ACTIVITIES Income Statement for the periods ending 30 June	Water			
	Est Act 2026\$	2026/27 \$	Year 2 \$	Year 3 \$
Operating revenue				
Total operating revenue	25,882,665	27,771,249	28,828,577	29,903,241
Operating Expenses				
Total operating expenses	(22,232,585)	(22,795,779)	(23,883,788)	(24,605,338)
Surplus / (deficit) from operations	3,650,080	4,975,470	4,944,789	5,297,903
National Competition Policy transactions	2,444,568	3,368,474	3,342,996	3,586,033
Income Tax Equivalent (30%)	1,095,024	1,492,641	1,483,437	1,589,371
Return to Ratepayer	1,349,544	1,875,833	1,859,559	1,996,662
Retained surplus (deficit) at period end	1,205,512	1,606,996	1,601,793	1,711,870
Community Services Obligations:				
Pensioner rebate	160,245	165,854	171,658	177,666
Community service clubs	115,975	120,034	124,235	128,584
Total community service obligation revenue	276,220	285,888	295,893	306,250
Capex	11,196,348	19,345,675	5,315,001	6,417,318



WHITSUNDAY REGIONAL COUNCIL STATEMENT OF ORIGINAL BUDGET BY BUSINESS ACTIVITIES Income Statement for the periods ending 30 June	Sewerage			
	Est Act 2026	2026/27	Year 2	Year 3
	\$	\$	\$	\$
Operating revenue				
Total operating revenue	19,562,838	20,528,670	21,553,730	23,306,064
Operating expenses				
Total operating expenses	(14,889,154)	(16,960,294)	(18,308,547)	(18,737,671)
Surplus / (deficit) from operations	4,673,685	3,568,375	3,245,183	4,568,393
National Competition Policy transactions:	1,402,105	1,070,513	973,555	1,370,518
Income Tax Equivalent (30%)	1,402,105	1,070,513	973,555	1,370,518
Retained surplus (deficit) at period end	3,271,579	2,497,863	2,271,628	3,197,875
Community Services Obligations:				
Pensioner rebate	165,946	171,754	177,766	183,987
Community service clubs	175,807	181,960	188,329	194,920
Trade waste subsidies & access charges foregone	149,944	155,192	160,624	166,246
Total community service obligation revenue	491,697	508,906	526,719	545,153
Capex	8,149,627	29,620,753	33,216,022	6,516,502





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