



# Frequently Asked Questions (FAQs)

## Waterways and Drainage Investment Plan *Local Government Submissions*

### **What is the Waterways and Drainage Investment Plan?**

Melbourne Water is the designated manager of all waterways in the Port Phillip and Westernport region, and the manager of our major drainage systems and flood plains. The 2021 Waterways and Drainage Investment Plan (WDIP) will detail the proposed program of works and associated investment in waterways and drainage services in the five year period 2021-2026.

The Plan is our commitment to customers, stakeholders and the community. It will guide how we maintain and improve the rivers, creeks and estuaries of our region, protect and prepare the community for flooding, and manage stormwater in the region over the five years beginning in 2021. The policies and legislation we operate under, as well as our ongoing community consultation will guide us in determining what projects and initiatives we undertake. The WDIP is developed as part of and in alignment with Melbourne Water's Price Submission.

### **How is the WDIP funded?**

In order to fulfil our responsibility and fund this work, a Waterways and Drainage Charge is collected from homeowners and non-residential customers in metropolitan Melbourne and rural land owners.

### **How is the WDIP developed?**

The program of works outlined in the WDIP proposal is informed by several inputs that include:

- Program planning and business forecasting (Opex and Capex)
- Our obligations under the Water Act 1989 to manage and plan for the future of our waterways, drainage system and floodplains
- The commitments made to waterways and drainage services in strategies and plans we have developed or committed to (e.g. the Healthy Waterways Strategy, the Flood Management Strategy and the Port Phillip Bay Environmental Management Plan)

- Guidance material from the State Government
- The Essential Services Commission and expert consultants, and
- Stakeholder and community engagement on how they value our services, their priorities, and their willingness to pay for services.

The Waterways and Drainage Investment Plan balances these inputs to outline a program of works that is efficient, prudent, and considers the future needs and preferences of our customers and the community.

The final Plan will be guided by the price determination set by the Essential Services Commission following our Price Submission. Community engagement for the WDIP is aligned to the broader price submission process.

### **Why we are asking local government to submit their preferences?**

Local Government Councils are partners in the delivery of many of the drainage and flood services Melbourne Water deliver, to enhance our waterways and protect our communities. Councils own and maintain the assets that connect to Melbourne Water's infrastructure. In addition, Councils own and operate local infrastructure which is a key component of Melbourne's integrated water management practices. Engagement as part of the Waterways and Drainage Investment Plan is one of the most appropriate forums for discussing how we can achieve the delivery of outcomes efficiently and effectively.

### **What does the Essential Services Commission (ESC) have to do with the WDIP?**

The ESC has introduced a new pricing approach with financial, reputational and procedural incentives to better align the interests of water businesses and the customers they serve. The main changes are:

- A greater emphasis on customer engagement to inform and influence price submissions, and
- A new incentive mechanism called PREMO, which encourages water businesses to deliver better value to customers by enabling them to earn extra revenue, depending on the level of ambition in their service offerings and cost efficiency.

The PREMO framework focuses on five elements:

1. Performance
2. Risk
3. Engagement
4. Management, and
5. Outcomes.

All Victorian retail and regional water companies applied PREMO to their 2018 Submissions and the results were well-received by the ESC. This is the first time we will be adopting PREMO, and we are looking forward to using this best-practice approach. Find out more about PREMO on the [ESC's website](#).

Our relationship with local government is vital to the success of the WDIP and other strategies and plans led by Melbourne Water, The Essential Services Commission (ESC) and the PREMO framework.

## What is the process for local councils to submit their preferences?

In early September 2019, all 38 local councils in the Port Phillip and Westernport region will receive a link to an electronic survey. There are three phases within the survey submission process.

### **Phase One**

The survey will ask local councils to determine their preferences for service outcomes. There are up to 4 service outcomes in each service area, these areas are:

1. Managing healthy waterways
2. Flood risk management
3. Urban development services
4. Stormwater management.

After each preference exercise, councils will be asked a series of qualitative questions in relation to their order of preference.

### **Phase two**

This process will be to prioritise the final service area outcomes (as per the above list) in order of preference that are most valued by your community and local council. This will again be followed by qualitative questions in relation to the order of preference.

### **Phase three**

The third and final phase will be a declaration from local council that the preferences and responses are the views held by the council and not the person / people completing the survey.

## How long will the survey take to complete?

The survey itself is estimated to take up to 1-2 hours to complete. However we encourage councils to collaborate internally on the service area outcomes to ensure the response is reflective of whole of council preferences and takes into account the expectations and needs of your local communities.

## How will the data from the surveys be used?

Melbourne Water is engaging with our key stakeholders and the community to understand the outcomes that will be most important to prioritise and deliver between 2021-2026.

A program of social research and community engagement will provide a continuum of insights and preferences that will then be carefully triangulated and cross referenced to inform the appropriate levels of service and investment in the 2021 WDIP.

## Who do I contact if I have a question about the submission?

Melbourne Water has created a dedicated email address [wdip21@melbournewater.com.au](mailto:wdip21@melbournewater.com.au) to answer any questions about the submissions process for the 2021 WDIP.

## How do I find out more information?

Melbourne Water and MAV will host an Information Session where Project Managers from the WDIP program will be on hand to answer any queries you may have in regard to the submission process. For more details on the Information Session please see below:

When: Thursday 19th September, 2019  
Time: 11.00am – 1:00pm  
Location: Melbourne Water, 990 LaTrobe Street, Docklands (light lunch provided)

\*\*RSVPs close by Friday 13 September, 5.00pm (limited spots available). Please RSVP to MAV by clicking on the event link <http://www.cvent.com/d/cyq5v2>

## What steps will follow the local government submissions process?

Following the triangulation and cross referencing of data to inform the levels of service in the 2021 WDIP, the project team will begin the task of preparing the first draft of the investment plan which will be ready for review in February 2020.

The draft 2021 WDIP will be accessible for comment by community and stakeholders for up to four weeks. Once final comments and input have been synthesised into the WDIP, it will be presented to the Melbourne Water Board. Following their advice, the WDIP will then be presented to the Minister for Water for noting before finally being included in the final 2021 Price Submission to the ESC in October 2020.