



CRC for
Water Sensitive Cities

Stakeholder Engagement Strategy

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Framework (2017 – 2019)

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Introduction

Background

The aim of the CRC for Water Sensitive Cities' IRP2 project is to develop, test and apply a broadly applicable framework for conducting integrated economic assessment to support business case development for investing in water sensitive, liveable and resilient cities. Within this broader framework the project has seven objectives:

1. Build a common understanding amongst stakeholders on which elements of water sensitive cities provide the greatest benefits to the community (which includes benefits to the environment), clearly articulating market and non-market values, and contributing to transition towards liveable and resilient cities.
2. Understand the requirements of stakeholders in government and industry in the design and delivery of economic evaluation tools and frameworks.
3. Review the currently available benefit-cost analysis tools and integrate the key elements of existing tools and identify gaps and improvements needed.
4. Develop an economic evaluation framework which would allow inclusion of benefits and costs and will help users to identify who the beneficiaries are.
5. Test, refine and apply the economic evaluation framework in selected case studies in collaboration with industry partners.
6. For selected cases, review the existing finance models and policies and recommend suitable approaches for investment in water sensitive systems and practices.
7. Develop effective adoption pathways to promote and support the use of economic evaluation frameworks and tools.

The key deliverables for the project are:

1. A Benefit Transfer tool and guideline
2. A Benefit-Cost Analysis tool and guideline
3. A financial regulation framework

There was strong engagement in the first part of the project. This needs to be built on and expanded to ensure the project's objectives are met during this second phase.

Objectives

The aim of this engagement strategy is to increase the likelihood that end users will want to use the tool and not see the project as largely a research exercise. This will be achieved by designing an approach that involves end users with the *development, testing and use of the tool*.

The specific objectives of this engagement strategy are to:

- Identify and encourage targeted end users to adopt and use the tool. Ideally 2-3 end users will use the tool to inform actual decisions during the life of the project;
- Raise general awareness about the existence of the tool amongst possible future end users;
- Guide internal, project team communications; and

- Ensure that the CRC WSC Board is aware of the project's progress and achievements.

Longer term engagement will be required to ensure ongoing use of the tool that is developed during this project. It is noted that options are being explored to support ongoing adoption of the tool such as to create a new entity funded by subscription, who maintains the tool. This assessment of developing a longer term more sustainable tool is beyond the scope of this project.

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Target audience

In order to meet the engagement objectives for this project, we have identified groups of internal and external stakeholders.

The external stakeholders will be a combination of water utilities and councils that are actively seeking to make investment decisions in water sensitive cities technology, either now or in the future.

External stakeholders sit in four categories:

- Active end users (ES1) – End users who commit to using the tool for actual decision making during the life of the project. Ideally, 2-3 active end users will emerge during the project.
- Case study end users (ES2) – End users who actively inform the development of the tool and test it during the life of the project, but do not necessarily use the tool to inform actual decision making. Existing case study end users are identified in Table 1 and are located in WA, SA and Victoria.
- Passive end users (ES3) – End users who have an interest in investing further in water sensitive cities technology or who want to provide support in developing the underlying business case but are not actively involved with the project case study development and testing. This group forms part of the broader target audience that will need to be engaged if the project is to be adopted more broadly in the longer term and includes water utilities, local government, state government, consulting firms. This group will provide an opportunity to engage with states outside of where the case studies are located i.e. NSW, Qld, Tas, ACT, NT.

Internal stakeholders are primarily in two categories:

- Senior management of the CRC (IS1) – Past project experience suggests that engagement with the Board and Executive to ensure they are aware of progress and achievements is important for the overall success of the project.
- Project team (IS2) – The project team is spread across Australia and involves the following entities :the University of Western Australia, Monash University, Seed Consulting Services (Adelaide), RMCG (Melbourne).

The Project Steering Committee is not listed here as an internal stakeholder because it is assumed that it will be engaged through regular meetings and by providing verbal and written reports as required.

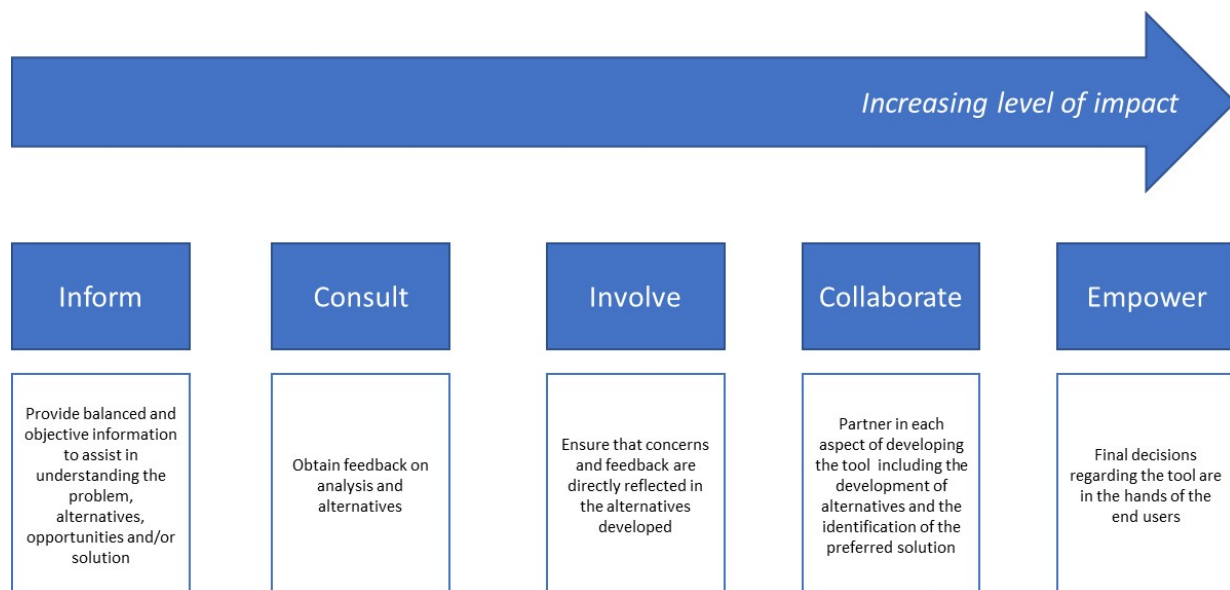
Engagement of the target audience also needs to be cognisant of other engagement processes that may be occurring through other projects.

Table 1. Case study end users.

Stakeholder	Type	Case study	Case study location
City of Melbourne	Local Government	4	VIC
City of Moonee Valley	Local Government	4	VIC
City of Nedlands	Local Government	2	WA
City of Swan	Local Government	3	WA
City West Water	Water utility	1,4	VIC
Department of Environment, Land and Water Planning	State Government	4	VIC
Department of Parks and Wildlife (Rivers and Estuaries Division)	State Government	3	WA
Department of Water	State Government	2,3	WA
Developer –Taliska Securities Pty Ltd	Industry	3	WA
Melbourne Metro Rail Authority	State Government	4	VIC
Melbourne Water	Water utility	1,4	VIC
Shire of Mundaring	Local Government	3	WA
South East Water	Water utility	4	VIC
VicRoads	State Government	1	VIC
Victorian Government (via Victorian Planning Authority)	State Government	4	VIC
WA Planning Commission/Department of Planning	State Government	2	WA
Water Corporation	Water utility	2,3	WA
WESROC group of local governments (Municipalities of Nedlands, Subiaco, Cottesloe, Peppermint Grove, Claremont, Mosman Park)	Local Government	2	WA
Wyndham City Council	Local Government	1	VIC
Yarra Valley Water	Water utility	4	VIC

Approach

The engagement approach used for this project follows the IAP2 spectrum of public participation (Figure 1).



We will vary our approach depending on the external stakeholder group as follows:

- Active end users (ES1) – **Collaborate**
- Case study end users (ES2) – **Involve**
- Passive end users (ES3) – **Inform**

The different levels of engagement across stakeholder groups is reflected through our tiered engagement approach, with the amount of effort and resources dedicated to engagement increasing from passive end users through to case study end users (Figure 2).

We will use a range of communications approaches to provide information, seek feedback and involve stakeholder in the project, including:

- Digital e.g. e-newsletters, webinars, webpage, e-fact sheets
- Social media platforms e.g. LinkedIn, Facebook
- Face-to-face e.g. interviews, workshops, meetings, conferences, industry events

No print (e.g. hard copy fact sheets) is proposed for communication activities.

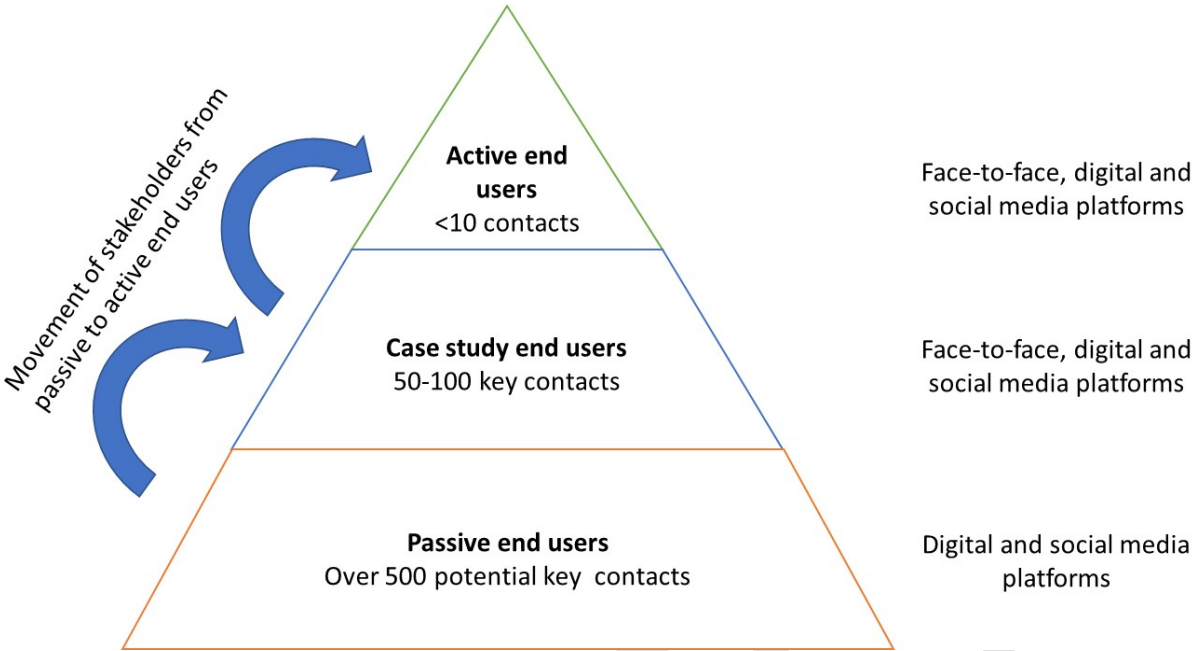


Figure 2. Tiered approach to engagement of the three external stakeholder groups.

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Engagement process

The engagement activities for Case Study End Users (ES1) follows each of the main project work package stages. Activities against each stage are described below. Active end users will be identified later in the project and engagement will initially follow the same approach as for Case Study End Users.

Engagement activities for passive end users (ES3) and internal stakeholders is more generic with communication activities designed to occur once each work package is completed.

The specific engagement activities described here will aim to:

- Review and validate existing identified benefits – rather than starting from zero base;
- Clarify the nature and scale of projects for which industry would be seeking either benefit valuations (for their own tool) or an entire cost-benefit tool;
- Use the above to prioritise benefits for valuation;
- Concentrate efforts on what data Local government, state government, utilities and the consulting industry can bring to the table; and
- Stream line the collation of data.

Case Study End Users (ES2)

Case study end users will be involved through a combination of digital, social media platforms and face-to-face engagement. There will be at least two face to face sessions per state over the life of the project.

WP1: Engagement initiation

Invitation to participate in project – A formal letter will be sent from the Project Leader to the nominated contact to invite their organisation to be involved in the project, outlining how engagement with them will occur and what we expect them to contribute. The letter will invite feedback on the proposed engagement approach.

Action – Distribute letter and conduct follow up phone calls

Current knowledge on economics of water sensitive urban designs – Inform the stakeholders about the current knowledge on economics of water sensitive urban designs. We will expand and update the collection and update the review, adding new published studies (from CRC and others), grey literature and existing relevant economic tools.

Activities - Distribute e-document to end-users; webinar provided to all external stakeholders

Stakeholder consultations for needs assessment - A thorough stakeholder needs assessment will be carried out to determine needs and agreed types of values/benefits and costs that need to be incorporated into the tools. To understand industry needs or gaps, there will be a selected number of issue-based or thematic workshops. The workshops will be held in several states to capture variation in local contexts in different parts of Australia. Where possible, some of these workshops will be organized in collaboration with IRP1 (and other CRC researchers) to incorporate a wider community view point. At the completion of this activity, a summary of the needs assessment will be distributed to

Activities – Thematic workshops; Distribute needs assessment to end-users

Training and capacity building - Building on the outputs (such as manuals, tools and learnings) produced by other parts of the project, we will develop a training module and deliver training in the application of economic tools and framework. To deliver the training, the team will work closely with industry partners, of which many will be key members on our Steering Committee across Australia.

Activities – Training module; Deliver training in the application of economic tools and framework

WP2: Updated collation of existing non-market valuation information and development of a benefit transfer tool

Development of benefit-transfer guidelines – We will develop accessible guidelines for end users on how to conduct benefit transfer for water sensitive practices, including choosing appropriate methods for the particular context. The guidelines will be tested with the stakeholders and adapted accordingly.

Activities: Stakeholder testing of benefit-transfer guidelines

WP3: Development of a user-friendly Benefit-Cost Analysis (BCA) tool tailored to water sensitive cities investments

Review of existing benefit-cost analysis tools relevant to water-sensitive cities – Existing literature and relevant stakeholders will be consulted to understand what tools are already being used (and by whom) and the extent of their use in decision making processes. Existing tools for benefit-cost analysis will be reviewed to determine their suitability for assessing water sensitive systems and practices at different scales and for users of varying capacity.

Suitability of tools will be determined with respect to quantifying benefits for a range of possible factors e.g. ecosystem health, human health/well-being, economic prosperity, and climate change adaptation/mitigation, ease of use and data availability.

Activities: Stakeholder interviews

Develop a BCA tool–Based on the review and existing tools and approaches - We will decide about whether to adapt an existing tool or develop a new tool to meet the specific needs of Australian end users.

Activities: Advise stakeholders of the decision as to which tool will be developed

Guidelines for benefit-cost analysis tool - Develop a guideline document to support the application of the BCA tool. This will provide guidance on critical concepts and approaches that underpin the tool, step-by-step guidance on how to apply it, and information about its assumptions and limitations. It will also provide several examples based on the case studies under WP5 on how to apply the framework in practice. This would include a discussion on alternatives for assisting decision-making when some elements (such as monetized benefits) are not available.

Activities: Stakeholder interviews used to inform development of the tool;

WP4: Finance models and policies to foster investment in water sensitive cities

Review existing finance models and policies - Work with end users to identify existing finance model, policies and mechanisms (such as financial incentives) used to foster public and private investment in water sensitive cities.

Activities: Stakeholder interviews;

Engage with regulators and agencies to design new approaches - Building on findings from WP4.1 and WP1.2, design a small number of alternative approaches to investment financing and policy that appear likely to be effective in the context of water sensitive cities. We will workshop these approaches with CRC end users, policy makers and experts in financing projects to evaluate their likely success.

If we are able to identify approaches that are judged to be likely to succeed, then we can work with policy agencies to explore the legal, practical, political and financial feasibility of implementing the approach.

Activities: Stakeholder workshops;

WP5: Testing the integrated economic evaluation framework in selected case studies

Case studies - Engage with end users to understand the feasibility of implementing various options and generate a set of recommendations for the implementing organisations. The case studies will be conducted in such a way that the intermediate results are continually disseminated to allow for transferability and quick uptake.

Activities: Case study development and testing

Passive end users (ES3)

WP1: Engagement initiation

Current knowledge on economics of water sensitive urban designs – Inform stakeholders about the current knowledge on economics of water sensitive urban designs. We will expand and update the collection and update the review, adding new published studies (from CRC and others), grey literature and existing relevant economic tools.

Activities - Distribute e-document to end-users; webinar provided to all external stakeholders; social media posts

Training and capacity building - Building on the outputs (such as manuals, tools and learnings) produced by other parts of the project, we will develop a training module and deliver training in the application of economic tools and framework. In addition to train for case study end users, we will also provide limited training for passive end users, targeting practitioners from a range of sectors such as utilities, local councils, agencies, state governments, and peak bodies (such as WSAA). To deliver the training, the team will work closely with industry partners, of which many will be key members on our Steering Committee across Australia.

Activities – Training module; Deliver training in the application of economic tools and framework

WP2: Updated collation of existing non-market valuation information and development of a benefit transfer tool

General information sharing on collation of non-market valuation information and development of a benefit transfer tool.

Activities - Distribute e-document to end-users; webinar provided to all external stakeholders; social media posts

WP3: Development of a user-friendly Benefit-Cost Analysis (BCA) tool tailored to water sensitive cities investments

Guidelines for benefit-cost analysis tool - Develop a guideline document to support the application of the BCA tool. This will provide guidance on critical concepts and approaches that underpin the tool, step-by-step guidance on how to apply it, and information about its assumptions and limitations. It will also provide several examples based on the case studies under WP5 on how to apply the framework in practice. This would include a discussion on alternatives for assisting decision-making when some elements (such as monetized benefits) are not available.

Activities: Webinar to inform external stakeholders on how to use and access the tool; social media posts

WP4: Finance models and policies to foster investment in water sensitive cities

General information sharing on collation of non-market valuation information and development of a benefit transfer tool.

Activities - Distribute e-document to end-users; webinar provided to all external stakeholders; social media posts

WP5: Testing the integrated economic evaluation framework in selected case studies

Case studies – Following completion of the case studies, content will be developed to upload to the CRC website promoting the case study findings. This will be complemented by webinars and social media postings.

Activities: Webinar provided to all external stakeholders; social media posts

Senior management of the CRC (IS1)

Senior management of the CRC will be regularly contacted to ensure project progress is communicated, especially following delivery of major work packages. This will be the responsibility of the Project Leader to coordinate. Senior management could also be invited to support social media posts (e.g. through likes and comments) and contribute to webinars by introducing speakers and content.

Project team (IS2)

The project team is spread across four organisations in WA, SA and Victoria. Ensuring consistent delivery of key messages to project team members, and then onto key stakeholders will be essential for project success.

Following completion of the draft engagement strategy, a presentation will be given to all team members on its structure and the proposed implementation approach. This will provide an opportunity to confirm the approach and key messages.

Following this initial briefing, the Project Leader will provide bi-monthly project progress reports to the project team.

In addition to delivering workshops and conducting interviews, team members will be expected to provide content for engagement activities such as social media posts and webinars.

Engagement schedule

Gantt chart to be included outlining specific tasks for each stakeholder group with associated timeframes – to be included once tasks are confirmed

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Risk management

Risk assessment to be completed

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Table xxx. Stakeholder engagement risk assessment matrix

Potential risk	Potential impact	Risk assessment	Further action required to mitigate risk
Project outputs seen as being largely academic	<p>May prevent the adoption of the tool in the short and longer term</p> <p>Would require additional post-project engagement</p>		
Project team members become advocates for technologies that are not viable for some end users	Lead to disengaged end users who believe the business case for selected technologies is not relevant to their organisation		
Unrealistic expectations about how the project will address existing stakeholder needs	Project outputs do not meet user needs and adoption rates of tool during and following the completion of the project are low.		
Project is seen as a series of independent case studies rather than a single tool	Following completion of the project adoption of the tool as an industry standard is limited		
Inconsistent key messages from across the team	Stakeholders become confused about how outputs will address their needs. This will result in low adoption rates.		
Changing priorities/staff within stakeholder organisations	Initial needs identification becomes irrelevant and tool no longer addresses user needs		

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