

2015/16 Annual Report

Consultancy Expenditure

Details of consultancies (valued at \$10,000 or greater)

In 2015-16, there were fifteen consultancies engaged during the year (2014-15: eighteen consultancies valued at \$10,000 or greater). The total expenditure incurred during 2015-16 in relation to these consultancies was \$37,054 (2014-15: \$42,000).

Details of individual consultancies are outlined on Melbourne Water's website at www.melbournewater.vic.gov.au.

Details of consultancies (valued at less than \$10,000)

In 2015-16, there were five consultancies engaged during the year (2014-15: two consultancies valued at less than \$10,000). The total expenditure incurred during 2015-16 in relation to these consultancies was \$37,054 (2014-15: \$10,000).

Detailed information on consultancies (only required for MW website - not on annual report)

Consultant	Purpose of consultancy
The Resolute Partnership	Engaged to provide a capabilities and strategies review to produce recommendations for the business and implement subsequent organisational changes. Main outputs include creation of a Capability Heat map for management and a team development plan with a focus on capability build, structure and performance.
Frontier Economics Australia	Provision of a literature review, discussion and options papers outlining Melbourne Water's approach in utilising insurance in its decision making to manage flood risks.
Farrier Sweir Consulting	Water entitlement reform options workshop and provision of advice on the impact from changes in regulatory instruments.
Human Capital International	Strategic advice on Customer Service Model implementation. Engaged to assist with the development of a change in management framework to support the team's Customer Focus Program. The output from engagement is a report, with a series of recommendations with a relevant implementation plan.
Australian Continuous Improvement Group	Provision of integrated water management (IWM) related market research, customer satisfaction survey, situation analysis and strategic business improvement recommendations.
CQI Consulting	Engaged to review telecommunication services from a holistic perspective. The outcome from the review included advice around expenditure reductions.

Thiess Black & Veatch Joint Venture	Provision of services to investigate options to reduce any negative impacts on the mixing zone of the bay under the project 'Multiple Outlets Constructability Report'. Thiess B&V were engaged to provide a report on two scenarios: - minimal construction and risk impact; and - minimal environmental impact.
Human Capital International	Provision of consulting services for the development of a change management plan and a program implementation plan under the Customer Focus Program in year 1.
EIG	Provision of strategic advice on commercial frameworks and models for the planned MALRC contract extension.
GHD	Provision of advisory services relating to investigation and reporting of options for rapid removal and drying of sludge from old lagoons at WTP. The options report findings will support an internal strategic review of sludge processing.
MWH Australia	Engaged to undertake a study investigating potential scenarios for augmenting existing and proposed treatment systems. The study involved option development and selection of a recommended process and preparation of a report outlining impact of future scenarios and potential alternatives.
MWH Australia	Engaged to undertake an options analysis of road upgrades and construction at the Western Treatment Plant under the project 'WTP Strategic Access Plan'.
Hay Group	Provision of reward strategy advice including analysis of current best practice in compensation schemes and options in the government sector context.
Jacobs Group Australia	Under the initial phase of the project 'Beaconsfield Dam Upgrade Future Options Investigation', the consultant is engaged to prepare a risk based community engagement plan and a project management plan.
Aither	Engaged to carry out an economic review of Melbourne Water's 2004 Annual Average Damages (AAD) calculation approach for flood damages and provide recommendations as part of a broader AAD tool update project.
Lane 5 Consulting	Provision of review and advisory services on the Melbourne Water's Capital Delivery Strategy. This includes review and qualitative assessment of current performance and preparation of benchmarking reports in relation to market trends.
Frontier Economics	Engagement involved providing economic advice to Melbourne Water's pricing team in preparation for the 2016 Price Period regulatory review process and other regulatory advice.

Jacobs Group Australia	<p>Engagement involved provision of services relating to the following activities:</p> <ul style="list-style-type: none"> - Assistance on the non-residential waterways and drainage pricing reform; - Provision of final report in relation to water and sewerage tariffs and price controls; - Sewerage long run marginal cost calculations; and <p><u>Review of Pricing Formulae</u></p>
Newgate Communications	<p>Engaged to provide research services on the 2016 Price Review Deliberative Plan. These include delivery and preparation of a research report for end consumers to inform them of Melbourne Water's 2016 Price Submission.</p> <p><u>Water's 2016 Price Submission</u></p>
Hall & Partners Open Mind	<p>Provision of services to support the delivery of the Waterways and Drainage Investment Plan through development and delivery of a survey for over 1000 customers to analyse options for Waterways and Drainage Charge activities. The outputs include an analysis report on the survey results to assist in setting the Waterways and Drainage Charges.</p> <p><u>Charges</u></p>

consultancies) where the total fees payable to the consultants were \$10,000 or less \$1,081,219 (excl. GST) (2014-15: \$1,107,270 (excl. GST)).

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consultancies) where the total fees payable to the consultants were less than \$10,000. The total fees payable (incl. GST) (2014-15: \$11,481 (excl. GST)).

Annual report):

2015/16

Start Date	End Date	\$000 Total approved project fee (excl. GST)	\$000 Expenditure 2015-16 (excl. GST)	\$000 Future expenditure (excl. GST)
1/05/2014	31/08/2015	37	17	-
15/06/2015	20/07/2015	40	40	-
12/01/2015	8/07/2016	82	82	-
4/05/2015	6/08/2015	13	13	-
2/04/2015	27/09/2015	6	6	-
20/04/2015	31/08/2015	6	6	-

27/05/2015	26/08/2015	27	10	-
1/06/2016	30/06/2016	10	10	-
25/09/2015	19/11/2015	45	26	-
25/09/2015	31/12/2015	35	33	-
30/09/2015	19/07/2016	78	78	-
12/06/2015	12/08/2016	44	25	19
16/12/2016	17/02/2016	9	9	-
28/01/2016	31/12/2016	25	18	7
10/03/2015	29/05/2015	7	7	-
1/03/2016	30/06/2016	39	39	-
4/02/2015	30/09/2015	300	274	-

17/02/2015	24/07/2015	83	81	-
23/06/2015	1/11/2015	277	276	-
12/08/2015	14/10/2015	70	70	-

TOTAL 1,232 1,118 26

Number of consultancies **20**