

Engagement for UWS



Tingwall, the utilities arm of Insync, has significant experience in engagement for Urban Water Strategies and price submissions in Victoria since 2010.

DEECA is mid-way through an approvals process for revised guidelines for Urban Water Strategies. The draft Core Requirements for engagement include that they be integrated with engagement for the upcoming price submission. The Department has expressed openness to receiving a view on how these engagement expectations can be met to provide the most insight and value while conserving organisational resources and customer funds.

Our opinions expressed here are neither exhaustive nor endorsed. Moreover, all regulated corporations have unique circumstances, so we don't presume that these thoughts and tips are universally applicable.

Although UWS and the Price Submission both require engagement, the expectations are different and should be properly considered.

The biggest difference between UWS and PREMO engagement requirements is the implicit IAP2 level of participation that corporations need to offer.

	Increasing level of public impact				
	Inform	Consult	Involve	Collaborate	Empower
Goal	To provide balanced and objective information in a timely manner.	To obtain feedback on analysis, issues, alternatives, and decisions.	To work with the public to make sure that concerns and aspirations are considered and understood.	To partner with the public in each aspect of the decision-making.	To place final decision-making in the hands of the public.
Promise	"We will keep you informed."	"We will listen to and acknowledge your concerns."	"We will work with you to ensure your concerns and aspirations are directly reflected in the decisions made."	"We will incorporate your recommendations to the maximum extent possible and provide reasons where we are unable to do so."	"We will implement what you decide."
Examples	The organisation will put a flyer in your letter box and put updates on its website.	The organisation will utilise a survey and/or display the plans at a community event.	The organisation will run some focus groups and workshops, and/or some in-depth interviews.	Comprehensive exploration using multiple techniques, followed by 4 to 6 days of deliberation.	Citizen's jury.

Although there is no prescribed level in the ESC framework, Advanced and Leading PREMO E ratings are almost impossible to achieve without at least a Collaborate level of participation. On the other hand, there is no explicit requirement for UWS participation to be more than Consult.

Table 10: Core requirements for "engaging the community"

Code	Instructions	Required for public document	Required for DEECA – publication is optional	Optional
2C	<p>Develop an Engagement Plan to inform the UWS, including:</p> <ul style="list-style-type: none"> An understanding of who will be affected and how they should be engaged. How the outcomes of engagement will be recorded quantitatively, and how these results will impact the UWS. For example, "X% of people surveyed, or X% of our focus group, chose option B". How engagement for UWS will be aligned with engagement for next Price Submission. Confirming communities will be given more than one Agreed LoS option. The implementation approach, resources, skills and time required. How to monitor and evaluate engagement. How to use the process to help improve water literacy. Systems that require augmentation near-term should have system specific engagement on options, most other matters can be WC-scale engagement. Explain how the chosen planning scenario will be transparently communicated during engagement. Test how risk averse community is overall. If planning scenario is conservative, they may want to be less conservative on the LoS % years, and vice-versa. 	✓		
2D	<p>Implement the engagement & evaluation: in accordance with the engagement plan, focusing on:</p> <ul style="list-style-type: none"> Ensuring that community is given a choice (options to choose from) for agreed LoS (considering trade-off between security and cost) and given 	✓		
12 Guidelines for the development of Urban Water Strategies & Drought Preparedness Plans				
OFFICIAL				
<p>a chance to express opinions about possible supply and demand options, and drought preparedness and response.</p> <ul style="list-style-type: none"> An evaluation should seek feedback, to inform future engagement. 				
2E	<p>Documentation of the engagement: UWS documents need to summarise the engagement approach undertaken, quantify the findings, and demonstrate how they have influenced decisions.</p>	✓		

The first obvious change in the Core Requirements from previous UWS rounds is that there are fewer of them. We anticipate that the flipside of this simpler approach will be a commensurate increase in scrutiny over your compliance with the Requirements.

A key risk for the coming 18 months is that the teams responsible for the UWS do not integrate well with the Price Submission engagement. Having UWS represented on the PS steering committee at early stages is essential.

The following pages summarise the key requirements from Code 2C and Code 2D of the Department's latest draft guidelines, along with our suggested ways to meet them.

Developing the engagement plan

DEECA Table 10, Code 2C	
Develop an Engagement Plan to inform the UWS, including:	<p>Note that there is no compulsion to publish the UWS engagement plan on your website. However, in the spirit of accountability and transparency, we would advise it.</p>
An understanding of who will be affected and how they should be engaged.	<p>Corporations without a stakeholder relationship management system, a stakeholder engagement strategy, and stakeholder engagement principles will find this task more difficult.</p> <p>A comprehensive list should be drawn up. After that, stakeholders can be put into tiers 1, 2 and 3. The IAP2 level of participation might be different for different tiers.</p> <p>Column headings for the table could usefully be: Stakeholder group name, Organisation name, main contact name, location, phone number, email address, Key interests, and tier. The engagement plans can be split by tier or stakeholder group. The Requirement for extra engagement in areas affected by potential supply augmentations makes the Location of the stakeholder important.</p>

How the outcomes of engagement will be recorded quantitatively, and how these results will impact the UWS. For example, “X% of people surveyed, or X% of our focus group, chose option B”.	This task is simple once your research methodology and question wording has been finalised. See below.
How engagement for UWS will be integrated with engagement for next Price Submission.	Given that the IAP2 level of participation is probably lower for UWS than for the PS, it might be easier for your PS team to integrate UWS than the other way around. There should be one engagement project plan that covers both sets of requirements.
Confirming communities will be given more than one Agreed LoS option.	For the plan, simply make this confirmation.
The implementation approach, resources, skills and time required.	For the plan, use these words as headings.
How to monitor and evaluate engagement.	This depends on the level of participation. For surveys, see our suggested question below.

How to use the process to help improve water literacy.

The Urban Water Strategy is an opportunity to build water literacy in the community. The August 2025 Guideline states (p13): *“Opportunities to build water community knowledge on the challenges and options are to be included into engagement processes.”*

No matter what channels you use to share your engagement messages, you can include water literacy content. This might be through bill inserts, website banners, or social media. If you are using surveys or community pop-ups, you can also provide information leaflets or include water literacy in survey introductions.

For corporations that want to go further, the upcoming Water Services Association of Australia National Customer Perceptions Benchmarking Study includes water literacy questions. These can be used to measure baseline community literacy, and subsequently compared with the literacy of participants in your Urban Water Strategy engagement program by asking the same questions.

Systems that require augmentation near-term should have system specific engagement on options, most other matters can be WC-scale engagement.

This is an important consideration which needs to be flagged internally as soon as possible – preferably before the price submission engagement strategy and timeline are finalised. Engaging with the affected communities on the ground demonstrates a willingness to listen and increases water literacy at the same time. Internal engagement specialists should be able to design the process, display materials and any questions that you want to ask. They should accompany your Subject Matter Experts into the field. However, these resources will be in high demand during the price submission engagement, hence the need for early identification of supply augmentation possibilities.

Explain how the chosen planning scenario will be transparently communicated during engagement. Test how risk averse community is overall. If planning scenario is conservative, they may want to be less conservative on the LoS % years, and vice-versa.

The planning scenario is a plausible and structured representation of the future created by the corporation. It encapsulates key driving forces including the climate change assumptions, population growth forecasts, and demand trends. These foundational assumptions can be explained to everyday customers in focus groups, but they are generally too complex for surveys, where the question about LoS might only have a preamble that states “our assumptions about climate variability, population growth and demand are all conservative”.

The current guidelines could be read to imply that survey respondents should also be informed about the planning scenario so that they can adjust their answer to the level of service question if they think it is either too conservative or not conservative enough. We believe this level of consideration and strategic response is too much to expect in the context of a survey. We expect that the Department will be flexible around what you do on this front because of the level of nuance and complexity.

Corporations can ask about the community's risk appetite at the same time as their Level of Service preferences. It's possible to do these two things at once. Since the guidelines only require an IAP2 Consult level of participation, your planning scenario does not have to be driven by customer preferences. The water corporation can put the planning scenario together with LoS and ask all four of the following questions at the same time:

What assumptions should Tributary Water make when we develop our long terms plans:

- 1. Climate change of less than, equal to, or greater than recent trends*
- 2. Population growth of less than, equal to, or greater than recent trends*
- 3. Household water usage that is lower, the same as, or higher than at present?*
- 4. Given your responses to the questions above, would you prefer that Tributary Water plans for a system where water restrictions are necessary:
a) Once every ten years, on average
b) Once every 20 years, on average (noting that this will be more expensive to provide)*

You are at liberty to construct your own planning scenario. You do not have to be driven by the responses to questions 1-3 above. However, understanding the community's framing will contextualise the answers to question four.

Implementation and evaluation

Ensuring that community is given a choice (options to choose from) for agreed LoS (considering trade-off between security and cost) and given a chance to express opinions about possible supply and demand options, and drought preparedness and response.

Tingwall/Insync has worked with WSAA and DEECA to add a generic LoS question to the upcoming WSAA National Customer Perceptions Benchmarking Study. This question will only be seen by Victorian respondents, and can't be further customised. At present, it reads:

Having a secure supply of water makes restrictions less likely, but costs a lot to build and maintain. How would you like <water corporation> to balance water security with costs?

The water supply system:

- a) ...should make restrictions extremely unlikely, which would be very expensive to provide*
- b) ...should be designed to make restrictions necessary only about once every 20 years*
- c) ...should be designed to make restrictions necessary only about once every 10 years*
- d) ...should be designed to make restrictions likely almost every summer*

We have also collaborated on how to meet the requirement to provide customers with a chance to express opinions on supply augmentation and demand management options. As the August 2025 DEECA Guideline states (p16): “where action is needed and there are multiple possible options, it is important to have an understanding of community views on the merits of each option. Success of this work will be judged based on how well community opinions have been captured and documented quantitatively” The following two questions will be included in the upcoming National Customer Perceptions Benchmarking Study:

There are various ways to increase drinking water supplies. Nominate all that you would be willing to consider. They would all have to meet strict health and safety guidelines for drinking water. [Multi-select, with the last option set as mutually exclusive]

- a) Desalination*
- b) Purified recycled water*
- c) New dams*
- d) Reducing water consumption*
- e) Treated urban stormwater*
- f) None of the above*

There are various ways to manage the amount of water customers use. Which of the following are acceptable to you? [Multi-select, with the last option set as mutually exclusive]

- a) Water restrictions in times of drought*
- b) Permanent water saving measures to encourage customers to use water responsibly*
- c) Community education on how to reduce water usage*
- d) None of the above*

A further question about preferences for frequency versus severity could be phrased as follows:

“Sometimes we need water restrictions to save drinking water. Announcing low-level restrictions early can help avoid the need for severe restrictions later. Which do you prefer?

·Bring in low-level restrictions early, to reduce the chance of severe restrictions later

Use severe restrictions, less often”

An evaluation should seek feedback, to inform future engagement.

In our bill simulators we often include the question:

“In your opinion was this survey:

- *Loaded and leading, designed to get you to respond in a certain way*
- *Fair and authentic*
- *No opinion*

If you responded ‘Loaded and Leading’, what would make you change your mind? <free text>”

Tingwall/Insync is happy to provide benchmarking information about what *Loaded and Leading* percentages are reasonable.

Documentation of the engagement: UWS documents need to summarise the engagement approach undertaken, quantify the findings, and demonstrate how they have influenced decisions.

Unlike a price submission, the purpose of this requirement is audit and assurance. Better write-ups of in price submissions can lead to a higher allowed return on equity, which means more income for the corporation. There is no such “prize” in UWS. Instead, focus on giving the Department with straightforward explanations that provide comfort. In particular, pay attention to the level of participation provided, evidence that the engagement was evaluated, quantitative evidence on risk tolerance, level of service preference, and attitudes towards supply and demand options. Err on the side of transparency. You may have had some stakeholders with diametrically opposing views. Highlight these differences so that the Department is forewarned if a disgruntled stakeholder writes to the Minister.

