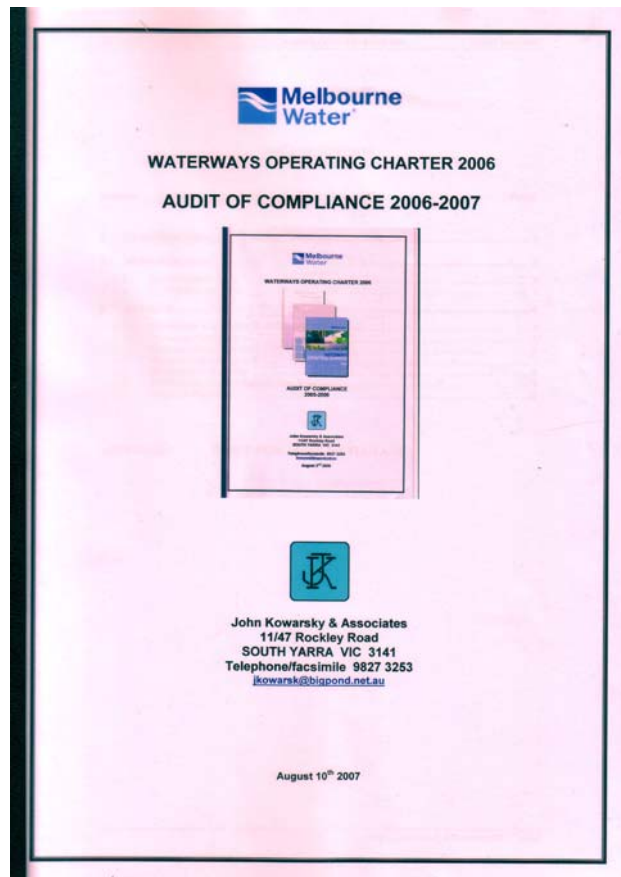




## WATERWAYS OPERATING CHARTER 2006

## AUDIT OF COMPLIANCE 2007-2008



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**TABLE OF CONTENTS**

<b>Section</b>	<b>Page</b>
<b>1 INTRODUCTION .....</b>	<b>2</b>
<b>2 METHODOLOGY .....</b>	<b>3</b>
2.1 AUDIT PROCESS.....	3
2.2 COMPLIANCE RATINGS.....	3
<b>3 RESULTS .....</b>	<b>4</b>
3.1 COMMUNITY AND STAKEHOLDER ENGAGEMENT.....	4
3.2 MANAGING RIVER HEALTH.....	5
3.3 REGIONAL DRAINAGE AND FLOOD PROTECTION .....	6
3.4 MANAGING WATER QUALITY.....	7
3.5 DEVELOPMENT SERVICES .....	8
3.6 MONITORING, INVESTIGATIONS AND RESEARCH.....	9
3.7 INCIDENT RESPONSE .....	10

**APPENDIX: BRIEF FOR THIS CONSULTANCY**

# 1 INTRODUCTION

In June 1999 Melbourne Water published the first Waterways and Drainage Operating Charter. This Charter set out the goals, objectives, products and services relevant to Melbourne Water's waterways and drainage responsibilities over the next ten years and defined a set of specific commitments required to achieve these. Annual monitoring and reporting on the delivery of these services was undertaken.

In 2005 Melbourne Water released an updated and revised Operating Charter for Waterways and Drainage 2005.

A revision of the 2005 Charter was carried out in consultation with Melbourne Water's Waterways and Drainage Advisory Committee and a Steering Committee of stakeholder representatives. This work was undertaken to take account of changes in Melbourne Water's responsibilities arising from the Victorian Government's White Paper *Our Water Our Future*. The Waterways Operating Charter 2006 (**the 2006 Charter**) was published in December 2005.

The 2006 Charter covers the same life cycle Melbourne Water's first *Water Plan*, that is, 2005/06 to 2007/08.

The 2006 Charter has 38 commitments (the 2005 Charter had 37). In comparison to the 2005 Charter, the 2006 Charter has ten new commitments and substantially changed targets for four of the remainder.

Melbourne Water engaged John Kowarsky & Associates to audit compliance with the 2006 Charter's service commitments for the period July 2007 to June 2008, this being the final year of the 2006 Charter's scope.

A copy of the brief for this consultancy is provided in the Appendix.

This report presents the results of auditing for the period 2007/2008, that is, the final year of the 2006 Charter, of each of the 38 commitments together with any relevant comments.

## 2 METHODOLOGY

### 2.1 Audit process

The 2006 Charter's 38 service commitments each have a corresponding formal specification detailing the precise nature of the commitment in terms of targets to be reached, timing and definition of relevant terms.

Melbourne Water prepared a file for each of the commitments containing:

- the above specification
- a preliminary compliance statement prepared by the responsible officer
- other notes and supporting documentation considered relevant.

Each of the above 38 files was examined and notes taken of any areas for discussion and clarification. Discussion with Ms Anne Casey, Senior Strategic Waterways Planner, and also, on occasion, other staff, led to the following outcome for each file:

- either an agreed final compliance rating was determined, or
- the need for further information that could be useful in assisting the assessment identified.

Ms Casey then sought further information and where considered appropriate added this to the file following which a second discussion session took place and an agreed final compliance rating was determined.

### 2.2 Compliance ratings

The following ratings were used:

SYMBOL	MEANING
✓	Meets target value
(✓)	Does not meet target value in full but achieves substantial compliance
✗	Does not meet target
?	Compliance with target considered not possible to properly assess

### 3 RESULTS

#### 3.1 Community and Stakeholder engagement

ORDER IN CHARTER	SERVICE CODE	SERVICE DESCRIPTION	COMPLIANCE RATING	COMMENTS
<i>1 Community Education</i>				
2006/1	WQ6(b)	Waterwatch Strategy Implementation	✓	Exceeded target by 66%.
2006/2	WQ6(c)	Frog Census	✓	No comment.
2006/3	MF4(a)	Community Education Program	✓	Plan and actions well documented.
<i>2 Grants to the Community</i>				
2006/4	MF4(c)	Community projects	✓	1. Clear compliance. 2. As noted previously, it would be useful for the spreadsheet report to include dates on which financial support was provided.
<i>3 Preserving Cultural Heritage</i>				
2006/5	MF4(d)	Cultural Heritage Strategy	(✓)	1. The Cultural Heritage Strategy was signed off in May 2008. 2. All Waterways and Drainage Projects utilised the CEPHA checklist.

## 3.2 Managing River Health

ORDER IN CHARTER	SERVICE CODE	SERVICE DESCRIPTION	COMPLIANCE RATING	COMMENTS
<i>1 River Health Planning</i>				
2006/6	WW7	Waterway Management Plans	✓	Presentation would benefit from simplification.
2006/7	NA1	Waterway Management in the New Area	✓	Clear compliance, well presented.
<i>2 Managing River Flows</i>				
2006/8	WW4(a)	Streamflow management plan preparation	✓	Six of the target eight plans complete, remainder scheduled for 2008/2009.
2006/9	WW4(d)	Environmental Flows	✓	Completed to 2010 target.
<i>3 River and Creek Improvement Programs</i>				
2006/10	WW1(a)	Waterway Works Approvals	✓	1. Internal audit showed 51/51 projects provided comments and 48/51 had comments incorporated. 2. Subsequent investigation of outstanding three showed that comments had been incorporated except for one comment about the need to look at Cultural Heritage values. 3. The process for tracking of comments through to incorporation could be improved.
2006/11	WW1(b)	Unauthorised Waterways Works	✓	1. Only significant instances of unauthorised works are recorded in Incident/Hazard database. 2. No significant instances were recorded in 2007/2008.
2006/12	WW5	Waterway Works	(✓)	1. Exceeded targets, some considerably, for five of the six activity areas. 2. Advised that additional resources were being put into developing streamside agreements.

### 3.3 Regional Drainage and Flood Protection

ORDER IN CHARTER	SERVICE CODE	SERVICE DESCRIPTION	COMPLIANCE RATING	NOTES
1 Flood Mitigation				
2006/13	DF2(a)	Flood Mitigation - Progress	✓	Ahead of schedule.
2006/14	DF2(c)	Flood protection	✓	Thorough internal audits.
2 Flood Warning System				
2006/15	DF3	Flood Event Monitoring	✓	1. Need identified to qualify the meaning of "timely" in relation to "flash" and "riverine" flood categories. 2. Advised that in fact water levels did not flood the roadway in question.
3 Keeping our Built Assets in Good Condition				
2006/16	DF1	Asset Management	✓	No comment.
4 Regional Drainage and Flood Protection in our New Areas				
2006/17	NA2	Drainage and Flood Management in the New Area	✓	1. Assume "program" is Gantt chart which is broad in scope and does not set timelines for specific programs. 2. Noted compliance requires only evidence of planning and implementation.

### 3.4 Managing Water Quality

ORDER IN CHARTER	SERVICE CODE	SERVICE DESCRIPTION	COMPLIANCE RATING	COMMENTS
<i>1 Building Capacity</i>				
2006/18	WQ7	Capacity Building	(✓)	Advised that there were unavoidable delays in finalisation due to funding uncertainties, and that this funding was now available.
<i>2 Stormwater Management Plans</i>				
2006/19	WQ8	Stormwater Management Plans - Implementation	✓	Clear reporting.
<i>3 Water Quality Infrastructure</i>				
2006/20	WQ4	Water Quality Improvement Facilities	✓	<ol style="list-style-type: none"> <li>1. Require approximately 44 tonnes to be claimed by 2010.</li> <li>2. About 46 tonnes planned to be claimed was allocated a low risk of non-completion.</li> <li>3. While 70% of the above 46 tonnes is in two projects due for completion in 2009/2010, both of these are ready to commence construction in Dec 08/Jan 09.</li> <li>4. A high level of confidence was expressed by the officer that practical completion of civil works for these two large projects would be achieved well within timeframe.</li> </ol>
<i>4 Improving the Region's Water Quality</i>				
2006/21	WQ10	Water Quality Improvement Plan	✓	No comment.
2006/22	WQ11	Lower Yarra Stormwater	✓	No comment.

## 3.5 Development Services

ORDER IN CHARTER	SERVICE CODE	SERVICE DESCRIPTION	COMPLIANCE RATING	COMMENTS
<i>1 Developer Services</i>				
2006/23	MF2(a)	Property Development Controls	✓	Well met compliance.
2006/24	DF4(a)	Property Information Statements	✓	1. Noted that "stop the clock" process occurred for an encumbrance update. 2. Presentation could usefully include a column "days to complete update".
2006/25	DF4(c)	Planning Scheme Updates 2	✓	No comment.
<i>2 Drainage Schemes</i>				
2006/26	MF1(a)	Greenfield Drainage Schemes	(✓)	1. Two of three areas have drainage scheme in place. 2. Remaining area has Preliminary rate struck meaning an agreed strategy has been completed. 3. Difficulty experienced in interpreting data presented, particularly for Boundary Extension Area. 4. For the extended area, advised that 13 of the target 24 investigations for the three-year period ending 2009/2010 have been completed.
2006/27	MF1(b)	Redevelopment Drainage Schemes	✓	Advised that over the four-year period of this Commitment that has elapsed, a total of 53 RSS investigations have been completed, the average exceeding of the target value of 10 per year.

### 3.6 Monitoring, Investigations and Research

ORDER IN CHARTER	SERVICE CODE	SERVICE DESCRIPTION	COMPLIANCE RATING	COMMENTS
<i>1 River Health Monitoring and Investigations</i>				
2006/28	WW6	Waterway Condition Reports	✓	Already met target in 2006/2007.
2006/29	WQ5(b)	Investigations to fill gaps	✓	Apparently well over target.
2006/30	WQ5(a)	Water Quality Data – analysis and reporting	✓	1. Turbidity, TSS and total nitrogen were also reported (but not listed in the commitment documentation). 2. 73 sites were monitored (not 72 as in the commitment documentation).
2006/31	WQ12	Yarra Faecal Investigations	✓	Advised that two of the three relevant tasks specified in the Yarra River Action Plan were complete and the final one was due for completion by December 2008.
<i>2 Hydrographic Data Analysis and Investigations</i>				
2006/32	DF5	Hydrographic Data Sharing	✓	Website spreadsheet updated in June 2008.
<i>3 Monitoring and Investigations in our New Areas</i>				
2006/33	NA3	Monitoring in the New Area	✓	Noted that 2008/2009 for targeted studies is to be developed in July 2008 including through the MW Waterways Investigations and Research Workshop.
<i>4 Research and Improvements in Efficiency and Effectiveness</i>				
2006/34	MF3(a)	Research results – Research Expenditure	✓	No comment.
2006/35	MF3(b)	Research results – Research Results Implementation	✓	No comment.
2006/36	MF3(c)	Research Communication	✓	As noted previously, coverage at seminar somewhat broader than waterways and drainage topics.

**3.7 Incident Response**

<b>ORDER IN CHARTER</b>	<b>SERVICE CODE</b>	<b>SERVICE DESCRIPTION</b>	<b>COMPLIANCE RATING</b>	<b>COMMENTS</b>
<b>2006/37</b>	<b>MF5(a)</b>	Incident Response Preparation	✓	1. Advised that rostered staff are drawn only from list of suitably trained personnel. 2. It would be useful to demonstrate that such a list tracks the currency of training and signals the need for refresher course(s) as appropriate.
<b>2006/38</b>	<b>MF5(b)</b>	Incident Response Performance	✓	All 17 incidents responded to in less than 5 minutes.

**APPENDIX:      BRIEF FOR THIS CONSULTANCY**

## ***Operating Charter 2007/08 Audit – Consultants Brief 2008***

### **Introduction**

Melbourne Water requires an audit of the assessment of progress in meeting the commitments in the Operating Charter for Waterways and Drainage for the year 2007 – 2008. The intention is to publish a set of “confirmed” results on the Melbourne Water web site report and/or annual report (ie results that are verified / checked by the auditor).

A pdf version of the 2006 Operating Charter is attached.

### **The task**

The auditor will be required to:

- Reach a basic understanding of the way the commitments are expressed in the Operating Charter, and how they are further described in detailed specifications against which progress is reported and judged each year.
- Assess the compliance (performance) reports developed to indicate progress against the thirty-eight Charter Commitments – involves about 1 to 2 pages of documentation on average for each of the 38 commitments.

These reports will be on individual registered files, which in many cases contain previous audit findings (where they exist) and notes relating to the content.

- For each individual commitment, determine whether or not the commitment was effectively delivered, having regard to the intent expressed in the wording of the commitment in the Operating Charter and its technical specification, and any particular circumstances surrounding the performance in 2006/07.
- Meet with Melbourne Water to validate / corroborate the conclusions.
- Provide a brief report to Melbourne Water on whether the agreed results are a fair assessment.

The materials presented to the auditor will remain the property of Melbourne Water, and will remain strictly confidential, and the auditor will execute an agreement to this effect.

It is envisaged that the work will take about eight to ten days.

Unless otherwise agreed, the work will be scheduled and delivered as follows:

- Files available for audit progressively from Monday 14 July 2008, with all files available by Wednesday 23 July 2008
- Initial review completed by Monday 28 July 2008
- Meeting to resolve informational / context issues Wednesday 30 July 2008 (or such date as agreed)
- Two bound copies and a MS Word version on CD of the approved Final Audit report to be delivered to Anne Casey by 3.00pm Friday 8 August 2008

If additional discussions / presentations are required, they will be commissioned at the hourly rate nominated in the proposal.

Brief proposals should be e-mailed or sent to Anne Casey

Proposals should contain:

- The offered fee for conducting the audit including phone discussions, meetings, conveyance of documents, assessments, furnishing a draft report and preparation of the final report plus three copies.
- An hourly rate to be applied should any further work be required, such as subsequent presentation or discussion of results to Melbourne Water management.

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