

Roger Jones (Victoria University), Ole Fryd, Peter Morison, Belinda Lovell, Other MW Staff (TBC)

This project will improve understanding of the role of incentives for achieving ecosystem improvements including, willingness of people to pay for and in catchment-scale integrated water management (IWM) schemes, identifying who is involved and who benefits from improvements, and approaches that can stimulate increased participation. Total Economic Value assessments will also be applied to identify the value of the waterway health benefits delivered by such projects.

Outcomes for waterway management: Comprehensive datasets of community costs for a range of IWM options that demonstrates the value of distributed water management with a focus on ecosystem health benefits. A Total Economic Framework model that provides clearer understandings of value associated with different IWM projects to guide and design of IWM.

Details: Details: While there is much interest in the role of incentives for achieving ecosystem improvements, many fundamental questions remain unanswered. For example, how willing are people to participate in the water cycle? Who is involved and who benefits from the improvements? Can we stimulate increased participation? By investigating three cases across Melbourne (e.g. Little Stringbark Creek, Dobsons Creek and an alternative, centralised scheme) we explore the the community's willingness to pay for and participate in catchment-scale schemes that provide multiple benefits, and the lifecycle cost data of a range of alternative water management options. We will then assemble available data of physical/material conditions, community attributes and rules-in-use (e.g. regulations) and compare these with the networks of participants involved and the action situations that they hold (e.g. home, council, water corporation), to create a simple Total Economic Value framework summarising the patterns of interactions that yield better understandings of value in different integrated water management projects. The primary (but not sole) focus of this value assessment will be the value of the waterway health benefits delivered by such projects. The complexity and significance of this project warrants the application for Australian Research Council linkage funding, to which Melbourne Water would be a leading partner.

The important deliverables of this project are:

1. **Datasets of community costs** : Investigating three cases across Melbourne and exploring the community cost data of a range of alternative water management options in those areas will yield a comprehensive economic dataset. *This dataset will be the most comprehensive of its kind, demonstrating the value of distributed water management with a focus on ecosystem health benefits.*
2. **Total Economic Framework model:** a framework (based on the reputable Ostrom's Institutional Analysis and Development framework) will provide clearer understandings of value associated with different integrated water management projects. *The framework will*

support Melbourne Water and State agencies as an effective tool for guiding the policy and design of integrated water management.

