

ATTACHMENT F: ADDITIONAL TESTING RESULTS

TEST TYPE 1: Adjusting weightings					
TEST IDENTIFIER	WEIGHTED BASE CASE	WEIGHTING ADJUSTMENT #1	WEIGHTING ADJUSTMENT #2	WEIGHTING ADJUSTMENT #3	WEIGHTING ADJUSTMENT #4
Summary description of the test's focus	Even weightings applied across all criteria	Increase 'Economic Efficiency' and 'Cost to Consumer' weightings to reflect increased focus on costs	Increase 'Operational Efficacy' weighting to reflect increased focus on effective 3W service provision and management	Increase 'Community Interest' and 'Agility & Adaptability' weightings to reflect increased focus on community interest/ responsiveness (both 3W and non-3W)	Increase 'People & Capability', 'Operational Efficacy', 'Economic Efficiency', and 'Agility & Adaptability' weightings to reflect increased focus on future-readiness
Options	RankScore	ChangeRankScore	ChangeRankScore	ChangeRankScore	ChangeRankScore
Option 2 - WSCCO minimum control (WSCCO core model)	12.33	•12.33	•12.33	•12.35	•12.43
Option 2 - WSCCO purchases services from QLDC (WSCCO variation 2)	22.08	•22.29	↓61.87	↓32.13	•21.96
Option 1 - IN-HOUSE standalone business unit (IN-HOUSE variation 2)	32.06	•32.19	•21.98	↑22.19	↓41.77
Option 1 - IN-HOUSE 9% FFO applied (IN-HOUSE variation 3)	41.97	↓42.07	↑21.98	↑42.07	↓51.66
Option 1 - IN-HOUSE status quo (IN-HOUSE core model)	41.97	•42.07	↑21.98	•42.07	↓51.66
Option 1 - IN-HOUSE with water services committee (IN-HOUSE variation 1)	41.97	•42.07	↑21.98	•42.07	↓51.66
Option 2 - WSCCO maximum control (WSCCO variation 1)	71.89	•71.86	•71.84	•72.05	↑31.78
<div>Note: Rank reflects the relative ranking of each option based on the total score under each test. An indicator shows whether the option's overall ranking has moved when compared to the evenly weighted base case: ↓ Option ranks lower under the test conditions ↑ Option ranks better under the test conditions. • Option ranking doesn't change under the test conditions.</div>	<div>• 100% total weighting split equally across all six criteria - giving each criterion a weighting of 16.7%. • <b>Minimum control WSCCO model is the highest ranked.</b></div>	<div>• Weightings for Economic Efficiency and Cost to Consumer increased (+100%) to place greater priority on minimising costs to consumers. • Weightings of remaining criteria reduced proportionately to maintain 100% total. • <b>Minimum control WSCCO model remains highest ranked;</b> however, there is little difference in scoring (&lt;0.15) relative to 2nd and 3rd ranked models.</div>	<div>• Weighting for Operational Efficacy increased (+100%) to place greater emphasis on water services provision &amp; performance. • Weightings of remaining criteria reduced proportionately to maintain 100% total. • <b>Minimum control WSCCO model remains highest ranked.</b></div>	<div>• Weighting for Community Interest increased (+100%) to place greater emphasis on community interests and priorities. • Weighting for Agility &amp; Adaptability increased (+50%) to place greater empahsis on availability of QLDC debt headroom to support investment in other non-3W emerging priorities/needs. • Weightings of remaining criteria reduced proportionately to maintain 100% total. • <b>Minimum control WSCCO model remains highest ranked.</b></div>	<div>• Weightings for People &amp; Capability, Operational Efficacy, Economic Efficiency, and Agility &amp; Adaptability increased (+30%) to place greater emphasis on future-readiness and likelihood of being enduring. • Weightings of remaining criteria reduced proportionately to maintain 100% total. • <b>Minimum control WSCCO model remains highest ranked.</b></div>
TEST IDENTIFIER	WEIGHTED BASE CASE	WEIGHTING ADJUSTMENT #5	WEIGHTING ADJUSTMENT #6	WEIGHTING ADJUSTMENT #7	
Summary description of the test's focus	Even weightings applied across all criteria	Increase 'Economic Efficiency', 'People & Capability', and 'Operational Efficacy' weightings to reflect increased focus on commercial performance	'Cost to Consumer' is the only criterion tested to reflect a singular focus on cost-based impacts to households over the 10-year period assessed.	Reverse engineer test to understand what conditions need to apply for an in-house model to rank highest.	
Options	RankScore	ChangeRankScore	ChangeRankScore	ChangeRankScore	
Option 2 - WSCCO minimum control (WSCCO core model)	12.33	•12.36	↓62.00	↓52.24	
Option 2 - WSCCO purchases services from QLDC (WSCCO variation 2)	22.08	•21.83	↑13.00	↓62.20	
Option 1 - IN-HOUSE standalone business unit (IN-HOUSE variation 2)	32.06	•31.76	↑13.00	↑12.32	
Option 1 - IN-HOUSE 9% FFO applied (IN-HOUSE variation 3)	41.97	↓41.71	↑13.00	↑22.26	
Option 1 - IN-HOUSE status quo (IN-HOUSE core model)	41.97	•41.71	↑13.00	↑22.26	
Option 1 - IN-HOUSE with water services committee (IN-HOUSE variation 1)	41.97	•41.71	↑13.00	↑22.26	
Option 2 - WSCCO maximum control (WSCCO variation 1)	71.89	↑41.71	↑62.00	•71.99	
<div>Note: Rank reflects the relative ranking of each option based on the total score under each test. An indicator shows whether the option's overall ranking has moved when compared to the evenly weighted base case: ↓ Option ranks lower under the test conditions ↑ Option ranks better under the test conditions. • Option ranking doesn't change under the test conditions.</div>	<div>• 100% total weighting split equally across all six criteria - giving each criterion a weighting of 16.7%. • <b>Minimum control WSCCO model is the highest ranked.</b></div>	<div>• Weighting for Economic Efficiency increased (+100%) and weightings for People &amp; Capability and Operational Efficacy increased (+50%) to place greater emphasis on key commercial performance elements of the model. • Weightings of remaining criteria reduced proportionately to maintain 100% total. • <b>Minimum control WSCCO model remains highest ranked.</b></div>	<div>• The only criterion assessed is 'Cost to Consumer' with a total weighting of 100% to place emphasis exclusively on impact to households over the ten-year period assessed. • All other weightings reduced to 0% to maintain 100% total. • <b>All in-house variants and a WSCCO that purchases support services from QLDC become the highest ranked.</b> • <i>NB: This test gives equal importance to household 3W charges and stranded costs. Test Type 4 category runs further analysis around relative importance of household charges.</i></div>	<div>• Weightings are adjusted to achieve conditions in which an in-house model ranks highest. This involved reducing People &amp; Capability, Operational Efficacy, Economic Efficiency, and Agility &amp; Adaptability to a weighting of 12% or less (-28%). • Community Interest and Cost to Consumer weightings increased proportionately to maintain 100% total. • <b>In-house standalone business unit becomes highest ranked;</b> however, there is little difference in scoring (&lt;0.15) relative to 2nd-6th ranked models.</div>	

TEST TYPE 2: Equalise scoring for any given criterion

TEST IDENTIFIER
Summary description of the test's focus
Options
Option 2 - WSCCO minimum control (WSCCO core model)
Option 2 - WSCCO purchases services from QLDC (WSCCO variation 2)
Option 1 - IN-HOUSE standalone business unit (IN-HOUSE variation 2)
Option 1 - IN-HOUSE 9% FFO applied (IN-HOUSE variation 3)
Option 1 - IN-HOUSE status quo (IN-HOUSE core model)
Option 1 - IN-HOUSE with water services committee (IN-HOUSE variation 1)
Option 2 - WSCCO maximum control (WSCCO variation 1)

Note:  
Rank reflects the relative ranking of each option based on the total score under each test. An indicator shows whether the option's overall ranking has moved when compared to the evenly weighted base case:  
↓ Option ranks lower under the test conditions  
↑ Option ranks better under the test conditions.  
· Option ranking doesn't change under the test conditions.

WEIGHTED BASE CASE	
Even weightings applied across all criteria	
Rank	Score
1	2.33
2	2.08
3	2.06
4	1.97
4	1.97
4	1.97
7	1.89

• 100% total weighting split equally across all six criteria - giving each criterion a weighting of 16.7%.  
• **Minimum control WSCCO model is the highest ranked.**

SCORING ADJUSTMENT #1		
Scores equalised to reflect consistent People & Capability results across models		
Change	Rank	Score
·	1	2.33
↓	3	2.08
↑	2	2.14
↑	4	2.06
·	4	2.06
·	4	2.06
·	7	1.97

• People & Capability scores equalised to the highest score of any given option (2.00) to test whether the highest rank option changes if all options achieve the best assessed People & Capability result.  
• All other scores remain as per the base case.  
• Weightings from the base case apply.  
• **Minimum control WSCCO remains highest ranked.**

SCORING ADJUSTMENT #2		
Scores equalised to reflect consistent Operational Efficacy results across models		
Change	Rank	Score
·	1	2.33
·	2	2.31
·	3	2.17
↓	4	2.03
·	4	2.03
·	4	2.03
·	7	2.00

• Operational Efficacy scores equalised to the highest score of any given option (2.33) to test whether the highest rank option changes if all options achieve the best assessed Operational Efficacy result.  
• All other scores remain as per the base case.  
• Weightings from the base case apply.  
• **Minimum control WSCCO remains highest ranked**; however there is little difference in scoring (0.02) relative to 2nd ranked model.

SCORING ADJUSTMENT #3		
Scores equalised to reflect consistent Economic Efficiency results across models		
Change	Rank	Score
·	1	2.33
↓	6	2.20
·	2	2.22
↑	3	2.20
↑	3	2.20
↑	3	2.20
·	7	2.06

• Economic Efficiency scores equalised to the highest score of any given option (2.67) to test whether the highest rank option changes if all options achieve the best assessed Economic Efficiency result.  
• All other scores remain as per the base case.  
• Weightings from the base case apply.  
• **Minimum control WSCCO remains highest ranked**; however there is little difference in scoring (<0.15) relative to 2nd - 6th ranked models.

SCORING ADJUSTMENT #4		
Scores equalised to reflect consistent Community Interest results across models		
Change	Rank	Score
·	1	2.50
·	2	2.25
·	3	2.06
·	4	1.97
·	4	1.97
·	4	1.97
↑	4	1.97

• Community Interest scores equalised to the highest score of any given option (3.00) to test whether the highest rank option changes if all options achieve the best assessed Community Interest result.  
• All other scores remain as per the base case.  
• Weightings from the base case apply.  
• **Minimum control WSCCO remains highest ranked.**

TEST IDENTIFIER
Summary description of the test's focus
Options
Option 2 - WSCCO minimum control (WSCCO core model)
Option 2 - WSCCO purchases services from QLDC (WSCCO variation 2)
Option 1 - IN-HOUSE standalone business unit (IN-HOUSE variation 2)
Option 1 - IN-HOUSE 9% FFO applied (IN-HOUSE variation 3)
Option 1 - IN-HOUSE status quo (IN-HOUSE core model)
Option 1 - IN-HOUSE with water services committee (IN-HOUSE variation 1)
Option 2 - WSCCO maximum control (WSCCO variation 1)

Note:  
Rank reflects the relative ranking of each option based on the total score under each test. An indicator shows whether the option's overall ranking has moved when compared to the evenly weighted base case:  
↓ Option ranks lower under the test conditions  
↑ Option ranks better under the test conditions.  
· Option ranking doesn't change under the test conditions.

WEIGHTED BASE CASE	
Even weightings applied across all criteria	
Rank	Score
1	2.33
2	2.08
3	2.06
4	1.97
4	1.97
4	1.97
7	1.89

• 100% total weighting split equally across all six criteria - giving each criterion a weighting of 16.7%.  
• **Minimum control WSCCO model is the highest ranked.**

SCORING ADJUSTMENT #5		
Scores equalised to reflect consistent Agility & Adaptability results across models		
Change	Rank	Score
·	1	2.33
↓	6	2.17
↑	2	2.31
↑	2	2.31
↑	2	2.31
↑	2	2.31
·	7	2.06

• Agility & Adaptability scores equalised to the highest score of any given option (3.00) to test whether the highest rank option changes if all options achieve the best assessed Agility & Adaptability result.  
• All other scores remain as per the base case.  
• Weightings from the base case apply.  
• **Minimum control WSCCO remains highest ranked**; however, there is little difference in scoring (0.02) relative to 2nd ranked options (all in house variations)

SCORING ADJUSTMENT #6		
Scores equalised to reflect Cost to Consumer results across models		
Change	Rank	Score
·	1	2.50
·	2	2.08
·	3	2.06
·	5	1.97
↓	5	1.97
↓	5	1.97
↑	3	2.06

• Cost to Consumer scores equalised to the highest score of any given option (3.00) to test whether the highest rank option changes if all options achieve the best assessed Cost to Consumer result.  
• All other scores remain as per the base case.  
• Weightings from the base case apply.  
• **Minimum control WSCCO remains highest ranked.**

TEST TYPE 3: Adjust assessment to reflect potential overlaps identified in Morrison Low's independent review of the assessment framework

TEST IDENTIFIER	WEIGHTED BASE CASE	POTENTIAL OVERLAP ADJUSTMENT #1	POTENTIAL OVERLAP ADJUSTMENT #2	POTENTIAL OVERLAP ADJUSTMENT #3
Summary description of the test's focus	Even weightings applied across all criteria	People & Capability score matched to highest contributing consideration score for each option to test for potential overlap between considerations.	Operational Efficacy and Economic Efficiency combined into a single criterion to test for potential overlap between considerations.	Overlap adjustment tests 1 & 2 combined to test for sensitivity to all potential overlapping considerations.
Options	RankScore	ChangeRankScore	ChangeRankScore	ChangeRankScore
Option 2 - WSCCO minimum control (WSCCO core model)	12.33	·12.33	·12.30	·12.30
Option 2 - WSCCO purchases services from QLDC (WSCCO variation 2)	22.08	↓32.08	·22.20	↓32.20
Option 1 - IN-HOUSE standalone business unit (IN-HOUSE variation 2)	32.06	↑22.14	·32.13	↑22.23
Option 1 - IN-HOUSE 9% FFO applied (IN-HOUSE variation 3)	41.97	↑42.06	·42.03	↑42.13
Option 1 - IN-HOUSE status quo (IN-HOUSE core model)	41.97	·42.06	·42.03	·42.13
Option 1 - IN-HOUSE with water services committee (IN-HOUSE variation 1)	41.97	·42.06	·42.03	·42.13
Option 2 - WSCCO maximum control (WSCCO variation 1)	71.89	·71.97	·71.93	·72.03
Note: Rank reflects the relative ranking of each option based on the total score under each test. An indicator shows whether the option's overall <u>ranking</u> has moved when compared to the evenly weighted base case: ↓ Option ranks lower under the test conditions ↑ Option ranks better under the test conditions. · Option ranking doesn't change under the test conditions.	• 100% total weighting split equally across all six criteria - giving each criterion a weighting of 16.7%. • <b>Minimum control WSCCO model is the highest ranked.</b>	• Matched total People & Capability score for each option to the highest score given to either of the contributing considerations. This is to test for potential overlap between the two contributing considerations. • All other scores remain as per the base case. • Weightings from the base case apply. • <b>Minimum control WSCCO remains highest ranked.</b>	• Operational Efficacy and Economic Efficiency criteria combined into single criterion. The average of each options Operational Efficacy and Economic Efficiency scores was used as the each option's score for the combined criterion. • All other scores remain as per the base case. • Weightings were adjusted proportionately to maintain 100% (even weightings across all criteria maintained). • <b>Minimum control WSCCO remains highest ranked;</b> however, there is little difference in scoring (0.10) relative to 2nd ranked model.	• Potential overlap adjustment tests 1 & 2 combined. This tests for the combined effect of adjusting for potential overlaps within People & Capability and across Operational Efficacy and Economic Efficiency. • All other scores remain as per the base case. • Weightings adjusted proportionately to maintain 100% (even weightings across all criteria maintained). • <b>Minimum control WSCCO remains highest ranked;</b> however, there is little difference in scoring (<0.15) relative to 2nd - 4th ranked options.

TEST TYPE 4: Adjust scoring guidelines

TEST IDENTIFIER	WEIGHTED BASE CASE	SCORING GUIDELINES ADJUSTMENT #1	SCORING GUIDELINES ADJUSTMENT #2	SCORING GUIDELINES ADJUSTMENT #3	SCORING GUIDELINES ADJUSTMENT #4
Summary description of the test's focus	Even weightings applied across all criteria	Household charge component of Cost to Consumer scoring guidance changed to emphasise importance of minimising household charges.	Residual QLDC debt headroom consideration removed from Agility & Adaptability to test for impact of Council opting not to utilise.	Scoring guidelines adjustments #1 and #2 combined to test for combined impact of emphasising household charges and Council opting not to utilise residual debt headroom.	Stranded costs consideration removed from Cost to Consumer to emphasise importance of minimising household charges.
Options	RankScore	ChangeRankScore	ChangeRankScore	ChangeRankScore	ChangeRankScore
Option 2 - WSCCO minimum control (WSCCO core model)	12.33	•12.17	•12.33	•12.17	•12.50
Option 2 - WSCCO purchases services from QLDC (WSCCO variation 2)	22.08	↓51.92	↓32.00	↓61.83	•22.08
Option 1 - IN-HOUSE standalone business unit (IN-HOUSE variation 2)	32.06	↑22.06	↑22.14	↑22.14	•32.06
Option 1 - IN-HOUSE 9% FFO applied (IN-HOUSE variation 3)	41.97	↓61.89	↓41.97	↓51.89	•51.97
Option 1 - IN-HOUSE status quo (IN-HOUSE core model)	41.97	↑31.97	↑41.97	↑31.97	↓51.97
Option 1 - IN-HOUSE with water services committee (IN-HOUSE variation 1)	41.97	↑31.97	↑41.97	↑31.97	↓51.97
Option 2 - WSCCO maximum control (WSCCO variation 1)	71.89	•71.72	•71.72	•71.56	•32.06
Note: Rank reflects the relative ranking of each option based on the total score under each test. An indicator shows whether the option's overall <u>ranking</u> has moved when compared to the evenly weighted base case: ↓ Option ranks lower under the test conditions ↑ Option ranks better under the test conditions. • Option ranking doesn't change under the test conditions.	• 100% total weighting split equally across all six criteria - giving each criterion a weighting of 16.7%. • <b>Minimum control WSCCO model is the highest ranked.</b>	• Scoring guidelines for the household charges component of 'Cost to Consumer' changed as follows: 3 = <i>lowest household charge or within 2%</i> 2 = 2-5% <i>greater than lowest household charge</i> 1 = >5% <i>greater than lowest household charge</i> • All other scores remain as per the base case. • Weightings from the base case apply. • <b>Minimum control WSCCO remains highest ranked;</b> however, there is little difference (0.11) relative to 2nd ranked model.	• Scoring guidelines adjusted to remove QLDC residual debt headroom from Agility & Adaptability criterion. • All other scores and definitions remain as per the base case. • Weightings from the base case apply. • <b>Minimum control WSCCO remains highest ranked.</b>	• Scoring guidelines for the household charges component of 'Cost to Consumer' changed as per Scoring Guidelines Adjustment #1. • Scoring guidelines adjusted to remove QLDC residual debt headroom from Agility & Adaptability criterion. • All other scores and definitions remain as per the base case. • Weightings from the base case apply. • <b>Minimum control WSCCO remains highest ranked;</b> however, there is little difference in scoring (0.03) relative to 2nd ranked option (in-house standalone business unit).	• Scoring guidelines changed to remove stranded costs from Cost to Consumer criterion. • All other scores and definitions remain as per the base case. • Weightings from the base case apply. • <b>Minimum control WSCCO remains highest ranked.</b>

TEST IDENTIFIER	WEIGHTED BASE CASE	SCORING GUIDELINES ADJUSTMENT #5	SCORING GUIDELINES ADJUSTMENT #6	SCORING GUIDELINES ADJUSTMENT #7
Summary description of the test's focus	Even weightings applied across all criteria	Scoring guidelines adjustments #1 and #4 combined to further emphasise importance of minimising household charges.	Scoring guidelines adjustments #3 and #4 combined to maximise importance of minimising household charges.	Increase 'Cost to Consumer' weighting and apply Scoring Guidelines Adjustment #6 conditions to reflect increased focus on minimising household charges, and decreased focus on all other criteria.
Options	RankScore	ChangeRankScore	ChangeRankScore	ChangeRankScore
Option 2 - WSCCO minimum control (WSCCO core model)	12.33	•12.17	•12.17	↓41.93
Option 2 - WSCCO purchases services from QLDC (WSCCO variation 2)	22.08	↓61.75	↓61.67	↓61.53
Option 1 - IN-HOUSE standalone business unit (IN-HOUSE variation 2)	32.06	↑22.06	↑22.14	↑1 <b>2.31</b>
Option 1 - IN-HOUSE 9% FFO applied (IN-HOUSE variation 3)	41.97	↓51.81	↓51.81	↓51.84
Option 1 - IN-HOUSE status quo (IN-HOUSE core model)	41.97	↑31.97	↑31.97	↑22.18
Option 1 - IN-HOUSE with water services committee (IN-HOUSE variation 1)	41.97	↑31.97	↑31.97	↑22.18
Option 2 - WSCCO maximum control (WSCCO variation 1)	71.89	•71.72	•71.56	•71.44
Note: Rank reflects the relative ranking of each option based on the total score under each test. An indicator shows whether the option's overall <u>ranking</u> has moved when compared to the evenly weighted base case: ↓ Option ranks lower under the test conditions ↑ Option ranks better under the test conditions. • Option ranking doesn't change under the test conditions.	• 100% total weighting split equally across all six criteria - giving each criterion a weighting of 16.7%. • <b>Minimum control WSCCO model is the highest ranked.</b>	• Scoring guidelines for the household charges component of Cost to Consumer changed per Scoring Guidelines Adjustment #1. • Scoring guidelines changed to remove stranded costs from Cost to Consumer criterion. • All other scores and definitions remain as per the base case. • Weightings from the base case apply. • <b>Minimum control WSCCO remains highest ranked;</b> however, there is little difference in scoring (0.11) relative to 2nd ranked model.	• Scoring guidelines for the household charges component of Cost to Consumer changes as per Scoring Guidelines Adjustment #1. • Scoring guidelines changed to remove stranded costs from Cost to Consumer criterion. • Scoring guidelines adjusted to remove QLDC residual debt headroom from Agility & Adaptability criterion. • All other scores and definitions remain as per the base case. • Weightings from the base case apply. • <b>Minimum control WSCCO remains highest ranked;</b> however, there is little difference in scoring (0.03) relative to 2nd ranked option	• Scoring guidelines of Cost to Consumer and Agility & Adaptability changes as per Scoring Guidelines Adjustment #6. • Weighting for Cost to Consumer increased (+100%) to place greatest emphasis on direct 3W household charges. • Weightings of remaining criteria reduced proportionately to maintain 100% total. • All other scores and definitions remain as per the base case. • <b>Inhouse standalone business unit becomes the highest ranked;</b> however, there is little difference in scoring (0.13) relative to 2nd ranked models.