

October 2022

Water Corporation

2022 Operational Audit Report to the
Economic Regulation Authority of Western Australia

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1. Independent Auditor's Report

1.1 Introduction

William Buck was engaged by the Economic Regulation Authority (ERA) to conduct a reasonable assurance engagement for the Operational Audit of the Water Corporation's Water Services Licence conditions specified under the *Water Services Licence 32 – Version 16* dated 1 May 2020 and *Water Services Licence 32 – Version 17* dated 31 March 2021 for the period 1 July 2020 to 30 June 2022.

The assurance engagement was performed in accordance with the specific requirements of the Licence and the March 2019 issue of the *Audit and Review Guidelines: Water Licences* (Audit Guidelines).

The scope of work relates to assessing the Water Corporation's (Corporation) systems, processes and controls that ensure compliance with the regulatory obligations, standards, outputs and outcomes required by the *Water Services Licence 32*.

1.2 Water Corporation's Responsibility

The Corporation is responsible for:

- Complying with the Licence conditions;
- Establishing and maintaining appropriate governance structures and effective system of controls designed to achieve compliance with the Licence requirements;
- Continuous evaluation and monitoring of the effectiveness of these control procedures; and
- Implementing corrective actions for instances of non-compliance.

1.3 Our Responsibility

Our responsibility is to express a conclusion on the adequacy and effectiveness of the Corporation's systems, processes, and reporting regimes that ensure compliance with the obligations, standards, outputs and outcomes prescribed in the Licence.

The reasonable assurance engagement has been conducted in accordance with the Australian Standard on Assurance Engagement *3000 Assurance Engagements Other than Audits or Review of Historical Financial Information* and the Australian Standard on Assurance Engagements *3100 Compliance Engagements* issued by the Australian Auditing and Assurance Standards Board and in line with the requirements outlined in the Audit Guidelines, in order to state whether, in our opinion, based on the procedures performed, the Corporation has complied, in all material respects, with its Licence conditions as outlined in the approved Audit Plan for the audit period 1 July 2020 to 30 June 2022.

In accordance with ASAE 3100 we have:

- Used our professional judgement to plan our procedures and assess the risks that may cause material non-compliance with each of the compliance requirements to be concluded upon;
- Considered internal controls implemented to meet the compliance requirements; however, we do not express a conclusion on their effectiveness; and
- Ensured that the engagement team possess the appropriate knowledge, skills and professional competencies.

Our procedures consisted primarily of:

- Utilising the Audit Guidelines as a guide for development of the risk assessment and Audit Plan;
- Developing audit procedures for each obligation included in the Audit Plan for approval by the ERA;
- Reviewing of documents and walkthrough of processes and controls to assess the overall compliance and effectiveness in accordance with Licence obligations;
- Interviewing with, and obtaining representations from, relevant Corporation's staff to gain an understanding of process controls;
- Sample testing of obligation in accordance with the approved Audit Plan;
- Visiting Albany for the audit of the Great Southern Region; and
- Validating the findings with the Corporation's management stakeholders to confirm the observations.

1.4 Limitation of Use

This audit report has been prepared for the ERA in accordance with the terms of our appointment and is not intended to be and should not be used by any other person or entity. We accept no duty, responsibility, or liability to any party, other than the ERA, in connection with the report or this engagement.

1.5 Inherent Limitations

Our engagement will provide reasonable assurance as defined in ASAE 3100. Reasonable assurance means a high but not absolute level of assurance. Absolute assurance is very rarely attainable as a result of factors such as the:

- Use of selective testing, and testing as at a point in time; and
- Inherent limitations of internal controls; and
- Fact that much of the evidence available to us is persuasive rather than conclusive; and
- Use of judgement in gathering and evaluating evidence and forming conclusions based on that evidence.

Due to the inherent limitations of any compliance procedure, it is possible that fraud, error or non-compliance may occur and not be detected. A reasonable assurance engagement is not designed to detect all instances of non-compliance, as the engagement is not performed continuously throughout the period and the procedures performed in respect of compliance are undertaken on a test basis. The conclusion expressed in this report has been formed on the above basis. Any projection of the evaluation of the level of compliance to future periods is subject to the risk that the systems may become inadequate because of changes in conditions, or that the degree of compliance with management procedures may deteriorate.

1.6 Independence

We have complied with the independence and other relevant ethical requirements relating to assurance engagements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

1.7 Conclusion

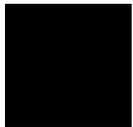
1.7.1 Modified Opinion

In our opinion, based on the procedures performed and except for the effect of the issues set out in **Section 2.13** of this report, the Corporation has, in all material respects, complied with the conditions of its Licence for the period 1 July 2020 to 30 June 2022.



William Buck Audit (WA) Pty Ltd

ABN 67 125 012 124



Conley Manifis

Director

Dated this 18th day of November 2022



2. Executive Summary

2.1 Context

William Buck was engaged by the Economic Regulation Authority (ERA) to undertake the operational audit of the Water Corporation (Corporation) in accordance with the requirements set out in Section 25 of the Water Services Act 2012 (WA).

Pursuant to Section 25 of the Water Services Act 2012, the Corporation is required to, not less than once every 24 months (or such later date approved by the ERA), provide the ERA with an operational audit conducted by an independent expert acceptable to the ERA. The operational audit is a non-financial compliance audit of the effectiveness of measures taken by the Corporation to maintain the quality and performance standards referred to in its Water Services Licence.

William Buck conducted the operational audit as a reasonable assurance engagement and in accordance with the specific requirements of the Licence and the March 2019 issue of the Audit and Review Guidelines: Water Licences issued by the ERA (Audit Guidelines).

William Buck audited the conditions specified under the Water Services Licence 32 – Version 16 dated 1 May 2020 and Water Services Licence 32 – Version 17 dated 31 March 2021.

The scope period was from 1 July 2020 to 30 June 2022.

2.2 Objectives

The objective of the Operational Audit is to assess the effectiveness of measures taken by the Corporation to meet the conditions of its licence (“licence obligations”). Specifically, for each licencing requirement, the audit considers the following:

- **process compliance** – the effectiveness of the systems and procedures in place, including the adequacy of internal controls;
- **outcome compliance** – the actual performance against standards prescribed in the licence throughout the audit period;
- **output compliance** – the existence of the output from systems and procedures prescribed in the licence;
- **integrity of reporting** – the completeness and accuracy of the compliance and performance reports provided to the ERA; and
- **compliance with any individual licence conditions** – the actual performance against the requirements imposed on the specific licensee by the ERA or specific matters raised by the ERA.

2.3 Scope

The scope of the Operational Audit is from **1 July 2020 to 30 June 2022**. Over this period, there have been **two** reiterations of the licence:

- Water Licence 32 version 16 dated 1 May 2020; and
- Water Licence 32 version 17 dated 31 March 2021; all of which are subject to the Operational Audit.

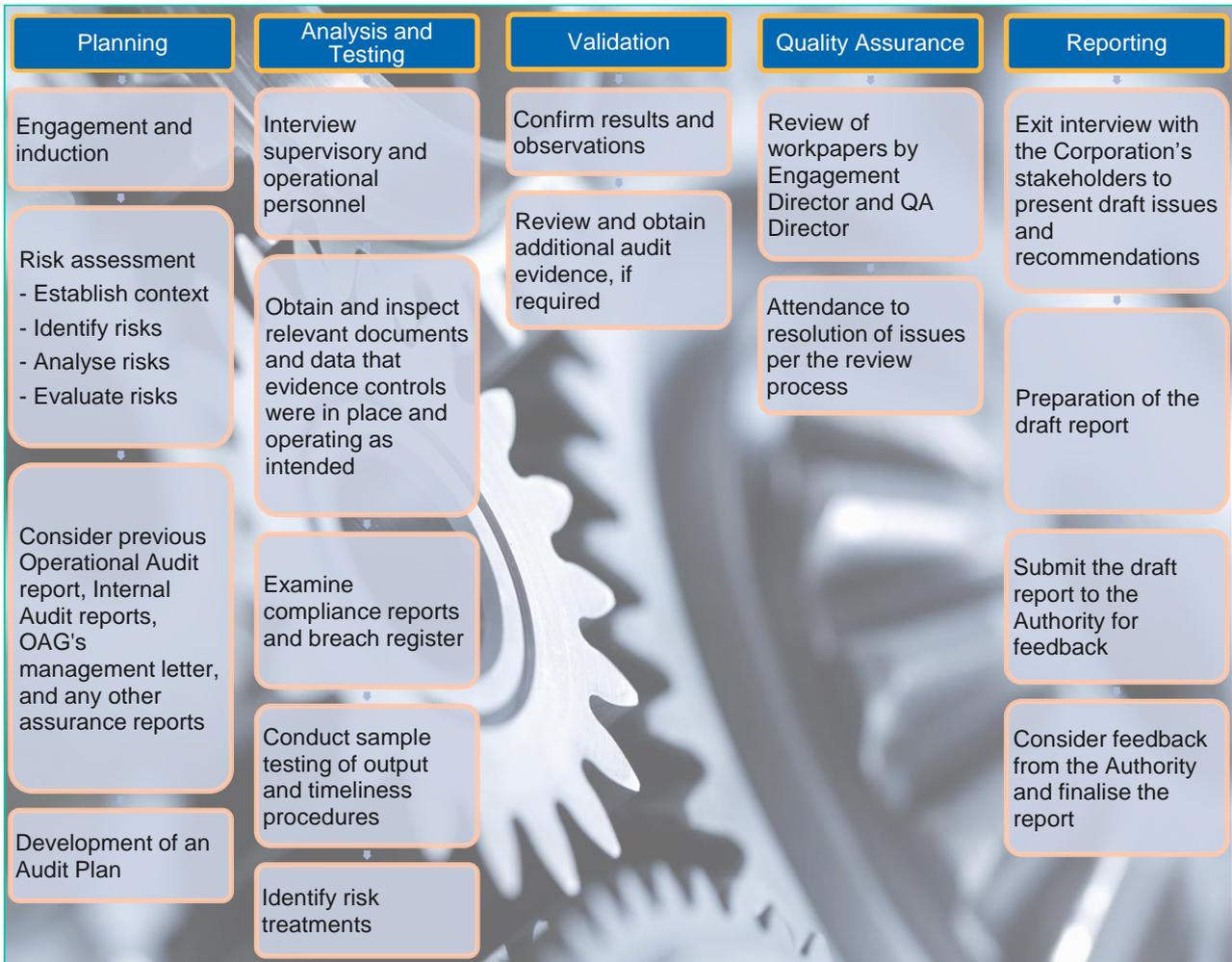
2.4 Approach

William Buck’s risk-based approach for the operational audit was based on the requirements set out in the *Audit Guidelines*.

In auditing the Licence conditions, we aimed to identify the risks that may affect compliance with these conditions by considering such things as where, when why and how events could prevent, degrade, or delay compliance with the Licence obligations.

The approved Audit Plan was developed using the Likelihood and Consequence ratings tables from Appendix 2 of the *Audit Guidelines*. The preliminary adequacy ratings for existing controls were primarily conducted through discussions and representations by the Corporation’s management stakeholders.

Our approach to the Operational Audit was designed to provide a reasonable level of assurance regarding the Corporation’s compliance with the conditions of its licences. Based on the risk assessment standard, *AS ISO 31000:2018 Risk Management Guidelines*, our approach is summarised below:



In auditing the Licence conditions, we aimed to identify the risks that may affect compliance with these conditions by considering such things as where, when, why and how events could prevent, degrade or delay compliance with the Licence obligations.

In agreement with the ERA, this audit included an assessment of the adequacy of measures taken by the Corporation in meeting the requirements relating to the provision of services in the Great Southern Region. Our approach included a visit to the Corporation's premises in Albany, where we performed the following activities:

- Interviewed the relevant stakeholders in the region;
- Obtained documentation and artefacts in support of the relevant audit procedures;
- Tested transactions using sampling techniques; and
- Followed up on queries.

As part of our audit methodology, sampling is used because it is an efficient and effective way to reach an audit conclusion. Using the principles set out in *Auditing Standard ASA 530 Audit Sampling*, we used audit sampling to obtain and evaluate audit evidence about the level of compliance with the Licence obligations, in order to form a conclusion on the effectiveness of processes used to ensure compliance with the standards, outputs and outcomes required by the Licence.

An appropriate audit process requires that information should be sufficient, reliable, relevant, and useful to support the engagement's objectives and scope. In line with *ASAE 3000* and *ASA 500 Audit Evidence*, sufficiency implies that the auditor has collected enough data to be persuaded about conclusions reached. Therefore, a sample of the evidence, rather than all of the evidence, may have been collected where it was adequate in the auditor's judgment.

Materiality of instances of non-compliance has been considered in terms of if, individually or in the aggregate, they could reasonably be expected to influence relevant decisions of the intended users taken on the basis of the Corporation's compliance with the compliance requirements.

2.5 Site Visits

As agreed with the ERA and the Corporation, we visited the following sites during fieldwork:

- Water Corporation Head Office – 629 Newcastle Street, Leederville
- Water Corporation Balcatta Office – 240 Balcatta Road, Balcatta
- Great Southern Region – Albany Regional Office

The results of the audit in the Great Southern Region have been incorporated into the narrative for the relevant obligations. *Appendix 1* sets out the obligations audited in respect of the Great Southern Region as part of the visit to the Corporation's Albany Regional Office.

2.6 Personnel & Documentation

Set out in *Appendix 2*, is a list of the Corporation's personnel interviewed during the operational audit. The documents reviewed for each obligation have been identified in the detailed narrative for the obligations. Below is a categorised list of documents read during the operational audit:

- Business Unit Position statements
- Policies, procedures and guidelines
- Procedural templates
- Standards, manuals and plans
- Work instructions and process flow charts
- Management reports
- System data extracts
- Customer bills
- Work orders
- Operating maps
- Geospatial maps
- Communication letters, emails and memorandums
- Memorandum of Understanding / Agreements
- Telephone Recordings
- eLearning training modules
- Training presentations
- Grange Billing system screenshots
- Fact Sheets
- Correspondence registers
- Excel based information registers
- Invoices
- Audit Reports
- Performance reports
- Compliance Reports
- Compliance Notices
- Certificates of Authority
- Water Services Act 2012
- Water Compliance Reporting Manuals
- Water Services Licences
- Water Services Code of Conduct
- Water Services Regulations 2013
- Water Corporation application forms
- Water Corporation agreements
- Water Corporation's website & intranet
- Water Corporation's terms and conditions
- Water Efficiency Management Plans

2.7 Compliance Reports & Registers

The following compliance reports and registers were reviewed as part of our preliminary risk assessment and again during fieldwork:

- The Corporation's Annual Compliance Report to the ERA for the period 1 July 2020 to 30 June 2021; and
- February 2021 Post Audit Implementation Plan submitted to the ERA.

We have not considered the Corporation's 2022 Annual Compliance Report to the ERA.

- In respect of the 2021 Annual Compliance Report to the ERA, our enquiries on the calculation of the underlying statistics revealed Management did not retain a snapshot copy of the data. As the operational data continued to be refreshed from business-as-usual activities, the statistics could not be replicated in some instances. We suggest the business unit responsible for reporting to the ERA should collate and retain the underlying working papers to support the statistics reported.

2.8 Work Schedule

The Operational Audit was proposed to be undertaken in accordance with the following schedule:

Table 5: Proposed Work Schedule

Activity	Timing	Team Member(s)
Meeting with the ERA and the Corporation	13 May 2022	Duy Vo Conley Manifis
Engagement with the Corporation to conduct risk assessment	2 June 2022	Duy Vo Shifaz Moosa Jadson Lima
Submission of the final Draft Audit Plan to the ERA for review	22 June 2022	Duy Vo Conley Manifis Shifaz Moosa Jadson Lima
The ERA provided feedback on the Draft Audit Plan	11 July 2022	
The ERA approved the Final Audit Plan	13 July 2022	
Site induction, commencement of planning and inquiry	18 July 2022	
Conclusion of fieldwork activities; review of work papers and issues log	16 September 2022	Duy Vo Shifaz Moosa Jadson Lima
Exit interviews with the Corporation stakeholders	Week commencing 12 September 2022	Duy Vo Shifaz Moosa Jadson Lima
Draft Audit Report provided to the ERA for review	19 September 2022	Duy Vo
ERA provides comments on draft audit report to the contractor	12 October 2022	Conley Manifis Shifaz Moosa
Final audit report provided to the ERA	18 November 2022	Jadson Lima

2.9 Audit Team

Table 6: William Buck's Audit Team

Name	Role	Hours
Conley Manifis	Quality Assurance Director	24
Duy Vo	Engagement Director	396
Jadson Lima	Auditor	193
Shifaz Moosa	Auditor	70

2.10 Assessment of the Control Environment

The Corporation has appropriate risk management arrangements to monitor emerging risks and address compliance issues swiftly. We observe management operates in a risk conscious manner cognisant of compliance risks.

Authority and responsibilities are defined within the policies and procedures underpinned by organisational structure directed by leadership, shared values and a culture that emphasises accountability for control.

Interviews held with management and officers indicated a commitment to the exercise of integrity and ethical values.

Control activities are proactively designed to address and mitigate the significant risks. Information important to identifying risks and meeting business objectives are monitored and reported on.

Control weaknesses identified primarily relate to:

- Staff training.
- Improvement to record keeping (recurring issues over several Operational Audits).
- Collaboration between business units to ensure prescribed information is evidence on website, bills, notices.
- System enhancement to ensure evidence of compliance can be demonstrated.

Given the size and scope of the Corporation's business, we consider the control environment to be reasonable and commensurate with the organisation's risk appetite.

2.11 Assessment of Compliance

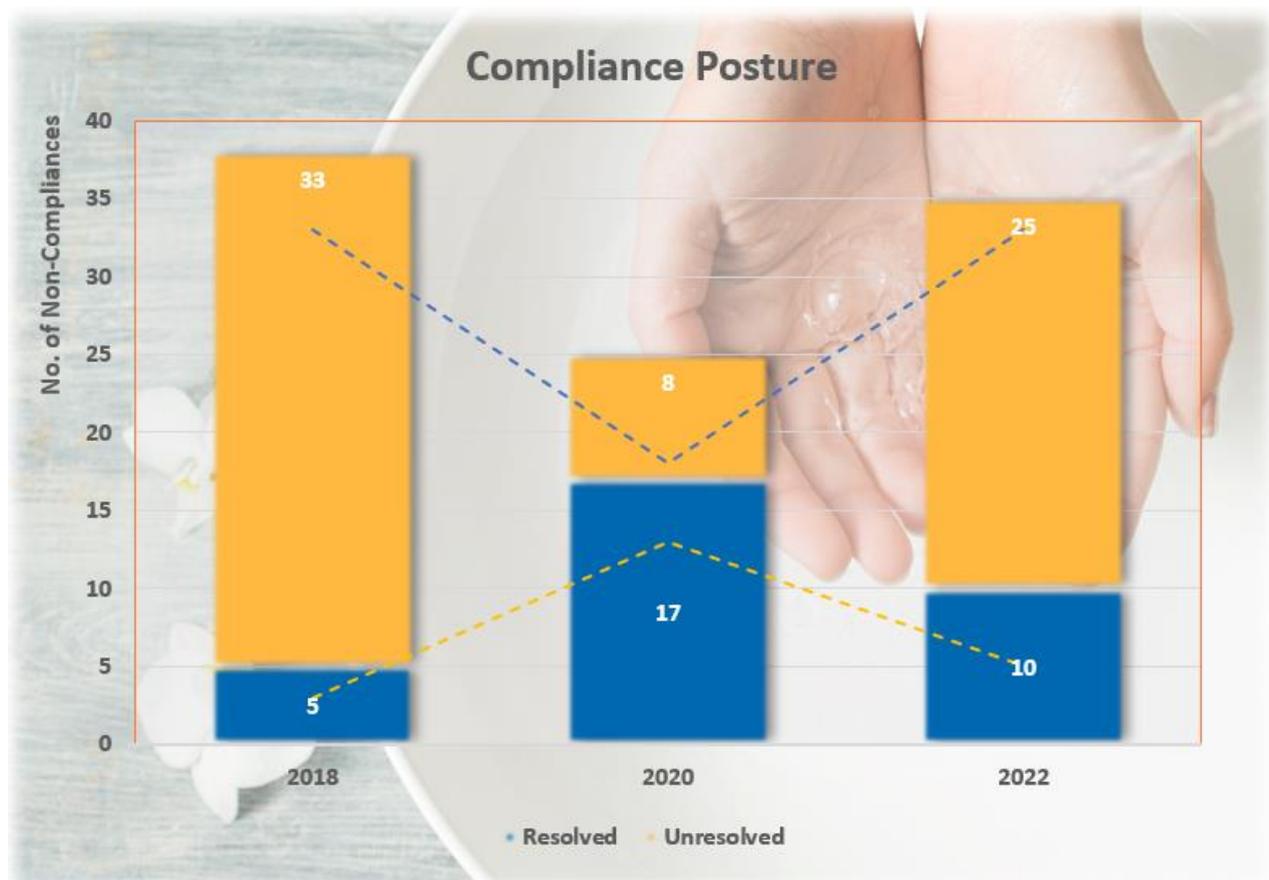
Figure 1, Compliance Posture, outlines the Corporation's non-compliance history over the last three Operational Audits for trend analysis of breaches that occurred.

As can be seen, the instances of non-compliance have increased by 40% over the previous Operational Audit (2020). Whilst the issues are varied and the underlying reasons are multi-faceted, we consider the predominate factors are as follows:

- Customer billing system, Grange. Non-compliance matters relate to error in Grange configuration and/or system limitations.
- Manual process. Human errors where manual interventions were required.
- Interpretation issue and/or difficulty with practical implementation of certain regulatory requirements. Some processes are not aligned to, or non-compliant with, obligation requirements due to ambiguity in wordings of regulatory requirements.

For some obligations, achievement of compliance can be achieved by ensuring basic prescribed information are contained on the website, bills, or notices.

Other obligations will require a combination of ongoing monitoring efforts through data analytics, training, to ensure the controls are operating as intended.



2.12 Assessment of the Corporation’s Response to Previous Audit Recommendations

The table below summarises the recommendations arising from the 2020 Operational Audit of the Corporation for the period 1 July 2018 to 30 June 2020 and the responses to those recommendations by the Corporation since the previous audit. These recommendations are detailed in *Section 4.1* of this report.

Table 7: Summary of Previous Audit Non-Compliances and Recommendations

A. Resolved during current audit period				
Recommendation Reference <i>(no./year)</i>	Non-compliance/Control Improvements <i>(Rating/Legislative Obligations/Details of the issue)</i>	Auditor’s Recommendations	Date Resolved	Further Action Required <i>(Yes/No/Not Applicable)</i> Details of Further Action Required <i>(Including current recommendation reference if applicable)</i>
03/2020	<p>C3 (Obligation 111A) Water Services Code of Conduct (Customer Service Standards) 2018 – Clause 19(2)</p> <p><i>The audit identified overcharges related to properties where the new financial year price was applied when part of the water use period was in the previous year. At the date of our audit, the Corporation had not credited the overcharged amount to the customer’s account or communicated the matter with the client within the required 15 business days of becoming aware of the overcharge.</i></p>	<p><i>We recommend that the Corporation:</i></p> <ol style="list-style-type: none"> <i>1. Inform customers immediately.</i> <i>2. Continue its investigation into identifying other potentially affected customers and calculating and reimbursing the amount of the overcharge for affected customers.</i> <i>3. Perform a comprehensive review of all other Grange billing rules.</i> 	<p>Action 1: 18/12/2020</p> <p>Action 2: 18/12/2020</p> <p>Action 3: 03/06/2020</p>	No

A. Resolved during current audit period				
04/2020	<p>B2 (Obligation 117) Water Services Code of Conduct (Customer Service Standards)2018 – Clause 20(5)</p> <p><i>The audit identified 303 (non-compliance rate 1.41%) breaches of the 15-business day requirement (compliance rate 98.73%).</i></p>	<p><i>We recommend that the Corporation:</i></p> <ol style="list-style-type: none"> <i>1. Provide further training to relevant staff on the requirement to provide interim responses to customers where bill reviews are not able to be completed in 15 business days.</i> <i>2. Continue to regularly monitor and report the 15-business day requirement. Where significant delays are identified, actions should be taken to escalate these instances in a timely manner.</i> <i>3. Discuss reasons for non-compliance with the ERA to understand the ERA's view on this non-compliance, as this non-compliance is expected to continue.</i> 	<p>Action 1: 21/06/2021</p> <p>Action 2: 21/06/2021</p> <p>Action 3: 13/05/2021</p>	No
07/2020	<p>A2 (Obligation 185) Water Services Act Section 12 – Clause 7.1.4</p> <p><i>The Corporation reported this obligation as non-compliant in the 2019/20 Annual Compliance Report as the Wastewater Services Memorandum of Understanding between the Corporation and the</i></p>	<p><i>We recommend that the Corporation ensure Memorandum of Understanding with the Department of Health includes the specified requirement.</i></p>	16/08/2021	No

A. Resolved during current audit period				
	<i>Department of Health did not specify requirement in relation to legal standing of the document.</i>			
08/2020	<p>A2 (Obligation 187) Water Services Act Section 12 – Clause 7.1.6</p> <p><i>We noted an instance where the Corporation did not publish an amendment to the drinking water Memorandum of Understanding within a month of it being approved by the Department of Health.</i></p>	<p><i>We recommend that the Corporation further strengthen its processes relevant to publishing Memorandum of Understandings between the Corporation and the Department of Health.</i></p>	14/09/2021	No

B. Unresolved during current audit period			
Recommendation Reference <i>(no./year)</i>	Non-compliance/Control Improvements <i>(Rating/Licence obligation reference number and licence obligation/Details of non-compliance or inadequacy of controls)</i>	Auditor's Recommendations	Further Action Required <i>(Yes/No/Not Applicable)</i> Details of Further Action Required <i>(Including current recommendation reference if applicable)</i>
01/2020	<p>B2 (Obligation 34) Water Services Act – Section 141(1)</p> <p><i>We reviewed the Break the Road Register and noted breaches were recorded for planned work.</i></p>	<p><i>To improve compliance with regards to planned events, we recommend that the Corporation implement a system control to prevent the creation of a work order unless the 48 hours' notice has been recorded and stored on the system.</i></p>	<p>Yes</p> <p>The Corporation should:</p> <ul style="list-style-type: none"> – Develop a system generated notification embedding a control to ensure the prescribed timeframe is met; and – Implement a system control in Maximo to prevent work from commencing until the notification has been registered on the system and 48 hours have elapsed since the notice was sent. <p>Refer to Recommendation 02/2022.</p>
02/2020	<p>A2 (Obligation 104A) Water Services Code of Conduct (Customer Service Standards) 2018 – Clause15(3)</p> <p><i>Through sample testing, we noted that the bills did not contain "the day on which the tariff for water supplied to the customer will revert to the lowest tariff (i.e. the day on which the customer's next consumption year</i></p>	<p><i>In consultation with its Legal Services team, request an amendment to the Code of Conduct to reflect the month and not the day on which the customer's next consumption year starts.</i></p>	<p>Yes</p> <p>Until the ERA reviews the Code of Conduct, the Corporation should implement interim measures to ensure the bill reflect the day on which the customer's next consumption year starts; how much more water the customer can be supplied with before supply starts to</p>

B. Unresolved during current audit period

	<p><i>starts)". The bills referred to the "month" (not the day) that the tariff will be reset.</i></p>		<p>be in the next volumetric range; and the tariff for the next volumetric range. Refer to Recommendation 07/2022.</p>
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2.13 Summary of Current Audit Findings and Recommendations

The table below summarises the recommendations arising from the current audit and detailed in *Section 4* of this report.

Table 8: Summary of Current Audit Non-Compliances and Recommendations

A. Resolved during current audit period				
Recommendation Reference <i>(no./year)</i>	Non-compliance/Control Improvements <i>(Rating/Legislative Obligations/Details of the issue)</i>	Auditor's Recommendations	Date Resolved	Further Action Required <i>(Yes/No/Not Applicable)</i> Details of Further Action Required <i>(Including current recommendation reference if applicable)</i>
Not Applicable	<p>A2 (Obligation 95) Water Services Code of Conduct (Customer Service Standards) 2018 – Clause 11(2)</p> <p>The Corporation reported this obligation as non-compliant in the 2020/21 Annual Compliance Report. The Corporation did not provide a bill within the required 4-month period to 1,022 customers.</p>	A recommendation has not been made as the non-compliance issue was resolved.	07/2021	No

A. Resolved during current audit period				
Not Applicable	<p>A2 (Obligation 99) Water Services Code of Conduct (Customer Service Standards) 2018 – Clause 12</p> <p>The Corporation updated a customer's address incorrectly and sent bills to a different location other than the address nominated by the customer.</p>	A recommendation has not been made as the non-compliance issue was resolved.	01/2022	No
Not Applicable	<p>A2 (Obligation 101A) Water Services Code of Conduct (Customer Service Standards) 2018 – Clause 13(5)</p> <p>The Corporation had not informed the reason for a bill of usage of metered water service to be based on an estimate when requested by the customer.</p>	A recommendation has not been made as the non-compliance issue was resolved.	01/2021	No
Not Applicable	<p>A2 (Obligation 138) Water Services Code of Conduct (Customer Service Standards) 2018 – Clause 37(1)(a)-(e) & (h)</p> <p>The Corporation restricted the water supply to a place occupied by a tenant.</p>	A recommendation has not been made as the non-compliance issue was resolved.	10/2021	No

A. Resolved during current audit period				
Not Applicable	<p>A2 (Obligation 160) Water Services Act Section 12 – Clause 4.6.1</p> <p>The Corporation reported this obligation as non-compliant in the 2020/21 Annual Compliance Report. The Corporation's had capitalised costs related to cloud computing arrangements as intangible assets in the Statement of Financial Position, which did not comply with accounting standards.</p>	A recommendation has not been made as the non-compliance issue was resolved.	06/2022	No
Not Applicable	<p>B2 (Obligation 161) Water Services Act Section 12 – Clause 5.2.1</p> <p>The Corporation reported this obligation as non-compliant in the 2020/21 Annual Compliance Report. The Corporation identified non-compliances with obligations 190 1.2.1 and 190 6.1.1.</p>	A recommendation has not been made as the non-compliance issue was resolved.	06/2022	No

A. Resolved during current audit period				
Not Applicable	<p>A2 (Obligation 185) Water Services Act Section 12 – Clause 7.1.4</p> <p>The Corporation reported this obligation as non-compliant in the 2020/21 Annual Compliance Report. The Wastewater Services MoU between Water Corporation and Department of Health (DoH) does not specifically state that it is a legally binding document between the two (2) parties.</p>	A recommendation has not been made as the non-compliance issue was resolved.	09/2021	No
Not Applicable	<p>B2 (Obligation 190) Water Services Act Section 12 – Schedule 2</p> <p>The Corporation reported this obligation as non-compliant in the 2020/21 Annual Compliance Report. The Corporation identified non-compliances with obligations 190 1.2.1 and 190 6.1.1.</p>	A recommendation has not been made as the non-compliance issue was resolved.	06/2022	No
Not Applicable	<p>B2 (Obligation 190, Section 1.2.1) Water Services Act Section 12 – Schedule 2</p> <p>The Corporation reported this obligation as non-compliant in the 2020/21 Annual Compliance Report. The Corporation did not issue a notification of pressure exempt to customers.</p>	A recommendation has not been made as the non-compliance issue was resolved.	06/2022	No

A. Resolved during current audit period				
<p>Not Applicable</p>	<p>B2 (Obligation 190, Section 6.1.1) Water Services Act Section 12 – Schedule 2</p> <p>The Corporation reported this obligation as non-compliant in the 2020/21 Annual Compliance Report. The Corporation did not send notification of water supply condition to customers.</p>	<p>A recommendation has not been made as the non-compliance issue was resolved.</p>	<p>06/2022</p>	<p>No</p>

B. Unresolved at end of current audit period			
Recommendation Reference (no./year)	Non-compliance/Control Improvements (Rating/Licence obligation reference number and licence obligation/Details of non-compliance or inadequacy of controls)	Auditor's Recommendations	Further Action Required (Yes/No/Not Applicable) Details of Further Action Required (Including current recommendation reference if applicable)
1/2022	<p>B2 (Obligation 31) Water Services Act – Section 128(4)</p> <p>Contrary to the requirement, we noted that a memorial withdrawal was performed by the customer rather than by the Corporation.</p>	<p>We recommend the Corporation re-align its business process to the regulatory requirements by lodging the withdrawal instead of requiring the customer to lodge the withdrawal.</p>	<p>Yes</p> <p>See Auditor's Recommendations column for details.</p>
2/2022	<p>B2 (Obligation 34) Water Services Act – Section 141(1)</p> <p>We reviewed the <i>Break the Road Register</i> and noted 62 breaches were recorded in planned work. We also reviewed the prior period audit recommendation which requires a system solution to prevent creation of a work order <i>unless the 48 hours'</i> notice has been recorded and stored in the system.</p>	<p>The Corporation should:</p> <ul style="list-style-type: none"> – Develop a system generated notification embedding a control to ensure the prescribed timeframe is met; and – Implement a system control in Maximo to prevent work from commencing until the notification has been registered on the system and 48 hours have elapsed since the notice was sent. 	<p>Yes</p> <p>See Auditor's Recommendations column for details.</p>

B. Unresolved at end of current audit period			
3/2022	<p>B2 (Obligation 67) Water Services Regulations 2013 – Regulations 26(3)</p> <p>The procedure documents and work instructions have not been approved by the CEO as required by the regulations.</p>	<p>We recommend the Corporation review the following documents to reflect the requirement of Regulation 26(3), where the CEO must approve the procedure:</p> <ul style="list-style-type: none"> – Asset Monitoring & Systems Investigations AMSI-P-120 Meter Testing and Reporting. – Asset Monitoring & System Investigations AMSI-P-004 Authority to maintain documentation for testing water meters. – Asset Monitoring & System Investigations AMSI-W-128 Customer Dispute Meter Test. 	<p>Yes</p> <p>See Auditor's Recommendations column for details.</p>
4/2022	<p>B2 (Obligation 98A) Water Services Code of Conduct (Customer Service Standards) 2018 – Clause 11(6)</p> <p>Through sample testing, we identified 718 instances where the Corporation did not issue a bill for usage based on a meter reading once in every 12-month period.</p>	<p>We recommend that the Corporation develop a strategy to ensure a meter reading is obtained at least once in every 12 months.</p>	<p>Yes</p> <p>See Auditor's Recommendations column for details.</p>

B. Unresolved at end of current audit period			
5/2022	<p>B2 (Obligation 100A) Water Services Code of Conduct (Customer Service Standards) 2018 – Clause 13(3)</p> <p>Through sample testing, we noted instances where the bill showed one service charge for two separate water services attached to an account.</p>	<p>We recommend that the Corporation develop an IT solution and update the billing template to separate the charges when 2 or more water services are provided to a property.</p>	<p>Yes</p> <p>See Auditor's Recommendations column for details.</p>
6/2022	<p>B2 (Obligation 101) Water Services Code of Conduct (Customer Service Standards) 2018 – Clause 13(4)</p> <p>We noted that the farmland properties with multiple meters did not have the service charges for each water service (Desalinated and Saline) rather the meters were grouped into one overall charge.</p> <p>We further observed the information in previous billing period and corresponding billing period in the previous year were not displayed for each type of service.</p>	<p>We recommend that the Corporation develop an IT solution and update the billing template to include the previous billing period information and the corresponding billing period in the previous year.</p>	<p>Yes</p> <p>See Auditor's Recommendations column for details.</p>
7/2022	<p>B3 (Obligation 104A) Water Services Code of Conduct (Customer Service Standards) 2018 – Clause 15(3)</p>	<p>The Corporation should implement interim measures to ensure the bill reflect the day on which the customer's next consumption year starts; and the prescribed information; how much more water the customer can be supplied</p>	<p>Yes</p> <p>See Auditor's Recommendations column for details.</p>

B. Unresolved at end of current audit period			
	<p>Through the examination of bills, we noted that the bills did not contain “<i>the day on which the tariff for water supplied to the customer will revert to the lowest traffic</i>”. The bills referred to the “month” (<i>not the day</i>) that the tariff will be reset.</p> <p>Additionally, the bill does not show how much more water the customer can be supplied with before supply starts to be in the next volumetric range; and the tariff for the next volumetric range.</p>	with before supply starts to be in the next volumetric range; and the tariff for the next volumetric range.	
8/2022	<p>B2 (Obligation 109) Water Services Code of Conduct (Customer Service Standards) 2018 – Clause 18(4)</p> <p>Through sample testing, we noted that three (3) accounts had accrued interest or late payment fees on those undercharged amounts.</p>	<p>We recommend that the Corporation:</p> <ul style="list-style-type: none"> — Develop data analytics procedure to detect interest or late payment charged in undercharged amounts. — Develop a system solution that restrict charging interest on undercharged amounts. 	<p>Yes</p> <p>See Auditor’s Recommendations column for details.</p>

B. Unresolved at end of current audit period

<p>9/2022</p>	<p>C2 (Obligation 111A) Water Services Code of Conduct (Customer Service Standards) 2018 – Clause 19(2)</p> <p>The Corporation reported a breach of this obligation in the 2020-21 Annual Report to the ERA. The breach related to an overcharge caused by a billing error that affected 1,528 properties. Further analysis found the number of affected properties to be 1,833.</p> <p>Our audit identified five (5) overcharged accounts not notified within the timeframe of 15 business days, which had not been identified by the Corporation.</p> <p>At the date of the audit, the Corporation had not credited the overcharged amount to the customer’s account or communicated the matter with the client within the required 15 business days of becoming aware of the overcharge.</p>	<p>We recommend that the Corporation:</p> <ol style="list-style-type: none"> 1. Inform affected customers immediately of the overcharge. 2. Investigate to identify other potentially affected customers and calculate and reimburse the amount of the overcharge. 3. Test the relevant Grange billing rule periodically to ensure compliance with regulatory requirements. 4. Use data analytics to detect exceptions to the regulatory requirements. 	<p>Yes</p> <p>See Auditor’s Recommendations column for details.</p>
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B. Unresolved at end of current audit period			
10/2022	<p>B2 (Obligation 117) Water Services Code of Conduct (Customer Service Standards) 2018 – Clause 20(5)</p> <p>In 11 instances, customers were not informed of the outcome of review of their bills within 15-business days as required by the Water Services Code of Conduct.</p>	<p>We recommend that the Corporation:</p> <ul style="list-style-type: none"> – Provide further training to relevant staff on the requirements to inform the customer within 15 business days. – Formulate a compliance strategy and action plan to ensure customer is informed of the outcome of a review of the customer’s bill within 15 business days. 	<p>Yes</p> <p>See Auditor’s Recommendations column for details.</p>
11/2022	<p>B2 (Obligation 117A) Water Services Code of Conduct (Customer Service Standards) 2018 – Clause 21</p> <p>We randomly sampled a total of 20 bills based on Quantity Charge and Fixed Charge, Quantity Charge and Fixed Charge. We found that 16 out of 20 sampled bills had not complied with notifying the customer about change to rate of water service charge.</p>	<p>We recommend that the Corporation reviews the billing template to ensure that customers are notified of any change to the amount or rate of water service.</p>	<p>Yes</p> <p>See Auditor’s Recommendations column for details.</p>
12/2022	<p>B2 (Obligation 118) Water Services Code of Conduct (Customer Service Standards) 2018 – Clause 23</p>	<p>We recommend that the Corporation review the root cause of the instances identified and implement appropriate system control to ensure the time set for the payment of a bill must be after 14 days from when the bill is issued.</p>	<p>Yes</p> <p>See Auditor’s Recommendations column for details.</p>

B. Unresolved at end of current audit period			
	Through sample testing, we noted three (3) instances which did not comply with the timeframe set for the payment of a bill, which is after 14 days from when the bill is issued.		
13/2022	<p>A2 (Obligation 133A) Water Services Code of Conduct (Customer Service Standards) 2018 – Clause 32</p> <p>Through sample testing, we noted three (3) customers, who had been assessed as being in financial hardship, had been charged interest.</p>	We recommend the Corporation periodically test the Grange rule; and perform data analytics to detect instances of interests being charged on accounts under financial hardship.	<p>Yes</p> <p>See Auditor's Recommendations column for details.</p>
14/2022	<p>B2 (Obligation 134) Water Services Code of Conduct (Customer Service Standards) 2018 – Clause 33(1)(a)-(c)</p> <p>The Corporation continued proceedings to recover a debt from a customer experiencing financial hardship.</p>	We recommend that the Corporation implement appropriate preventative controls to ensure that debt recovery actions are not initiated against customers who are experiencing financial hardship or have been assessed for payment difficulties.	<p>Yes</p> <p>See Auditor's Recommendations column for details.</p>

B. Unresolved at end of current audit period			
15/2022	<p>B2 (Obligation 137C) Water Services Code of Conduct (Customer Service Standards) 2018 – Clause 36(3)</p> <p>The audit identified clause 36(3)(c) has not been met as the Corporation’s restriction notice provides a wrong link to the licensee’s complaint’s procedure. .</p>	<p>We recommend that the Corporation ensure the notice includes specific reference to information about the existence and operation of the complaint procedure.</p>	<p>Yes</p> <p>See Auditor’s Recommendations column for details.</p>
16/2022	<p>B2 (Obligation 138B) Water Services Code of Conduct (Customer Service Standards) 2018 – Clause 38</p> <p>The audit identified a water supply was restricted after 3 pm on a given day.</p>	<p>We recommend that the Corporation:</p> <ul style="list-style-type: none"> – Provide further training to relevant staff on the requirement of water supply restriction parameters. – Continue to regularly monitor and report on the restriction requirement. 	<p>Yes</p> <p>See Auditor’s Recommendations column for details.</p>
17/2022	<p>B2 (Obligation 140) Water Services Code of Conduct (Customer Service Standards) 2018 – Clause 41(2)</p> <p>The audit identified the Corporation did not restore a water supply to land in the metropolitan region within the specified timeframe.</p>	<p>We recommend that the Corporation:</p> <ul style="list-style-type: none"> – Provide further training to relevant staff on the restoration timeframe requirement. – Continue to regularly monitor and report on the restoration timeframe requirement. 	<p>Yes</p> <p>See Auditor’s Recommendations column for details.</p>

B. Unresolved at end of current audit period			
18/2022	<p>B2 (Obligation 141) Water Services Code of Conduct (Customer Service Standards) 2018 – Clause 41(3)</p> <p>The audit identified the Corporation did not restore a water supply outside the metropolitan region within the specified timeframe.</p>	<p>We recommend that the Corporation:</p> <ul style="list-style-type: none"> – Provide further training to relevant staff on the water supply restoration timeframe requirement. – Continue to regularly monitor and report on the restoration timeframe requirement. 	<p>Yes</p> <p>See Auditor's Recommendations column for details.</p>
19/2022	<p>C N/R (Obligation 144A) Water Services Code of Conduct (Customer Service Standards) 2018 – Clause 43(1)</p> <p>We reviewed the Corporation outage management system and found that the system allows the plan to be recorded for less than 48 hours. Moreover, the system does not contain the detail of customer which would be essential in identifying the notice period provided to the customer. As there were no effective controls, there is no mechanism to demonstrate compliance with the obligation.</p>	<p>We recommend that the Corporation upgrade its plan outage system along with appropriate control mechanism to track the delivery of the notifications.</p>	<p>Yes</p> <p>See Auditor's Recommendations column for details.</p>
20/2022	<p>C N/R (Obligation 144B) Water Services Code of Conduct (Customer Service Standards) 2018 – Clause 43(2)</p> <p>Refer to Obligation 144A</p>	<p>Refer to Obligation 144 A</p>	<p>Yes</p> <p>See Auditor's Recommendations column for details.</p>

B. Unresolved at end of current audit period			
21/2022	<p>B2 (Obligation 149A) Water Services Code of Conduct (Customer Service Standards) 2018 – Clause 47</p> <p>The audit identified the Corporation did not inform the customer that the customer has a right to apply to the water services ombudsman for a review of the complaint.</p>	<p>— We recommend that the Corporation provide further training to relevant staff to inform the customer that the customer has a the right to apply to the Water Services Ombudsman for a review of the complaint, and provide a Freecall telephone number for the water services ombudsman, and the requirement and continue to regularly monitor and report on the restoration benchmark.</p>	<p>Yes</p> <p>See Auditor's Recommendations column for details.</p>
22/2022	<p>B2 (Obligation 153) Water Services Code of Conduct (Customer Service Standards) 2018 – Clause 49(1)</p> <p>We reviewed the Corporation website and did not find the information publicly available as mentioned in Clause 49(1)(h) where the Corporation may restrict supply if the customer does not accept an offer of a payment plan within 7 days.</p>	<p>We recommend the Corporation includes the information as mentioned in Clause 49(1)(h) on its website.</p>	<p>Yes</p>

B. Unresolved at end of current audit period			
<p>23/2022</p>	<p>B2 (Obligation 154) Water Services Code of Conduct (Customer Service Standards) 2018 – Clause 49(2)</p> <p>The Corporation’s website did not provide information in relation to customer’s right to request a meter test, testing charges and reimbursement, and estimated reads information did not state the customer’s rights to request a meter reading.</p>	<p>We recommend that the Corporation ensure internal stakeholders, such as Information Technology and relevant business units, collaborate when updating the Corporation’s website to reflect the required regulatory information.</p>	<p>See Auditor’s Recommendations column for details.</p> <p>(We acknowledge that this matter was resolved prior to the conclusion of the fieldwork August 2022 but was not resolved during the audit period.)</p>
<p>24/2022</p>	<p>B2 (Obligation 191) Water Services Code of Practice (Family Violence) 2020 – Clause 5(1)</p> <p>We reviewed the Corporation <i>Family Violence Policy</i> and noted that five (5) condition mentioned in Water Services Code of Practice was not incorporated on the Corporation policy.</p> <p>The condition not incorporated were 5(1)(b), (c), (d), (e), (g).</p>	<p>We recommend that the Corporation review its <i>Family Violence Policy</i> to include the following information:</p> <ul style="list-style-type: none"> – Information to customers on external services through which the customers can receive support; – Process to identify accounts of customers affected by family violence without requiring customers to repeat the details of the issue; – Process by which information provided by customers regarding family violence are protected; and – Process by which payment difficulties are addressed in circumstances of financial hardship. 	<p>Yes</p> <p>See Auditor’s Recommendations column for details.</p>

B. Unresolved at end of current audit period

<p>25/2022</p>	<p>B2 (Obligation 197) Water Services Code of Practice (Family Violence) 2020 – Clause 9</p> <p>We noted that, the Corporation do not provide information on the customer complaints process in their first interaction when a customer discloses domestic violence.</p>	<p>We recommend that the Corporation implement an integrated approach to the complaint training process focussing on matter relating to the family violence in particular informing the customer of the existence and operation of the Corporation’s complaints procedure.</p>	<p>Yes</p> <p>See Auditor’s Recommendations column for details.</p>
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3. Performance Summary

We have assessed the Corporation's compliance and controls using the rating scales prescribed by the Audit Guidelines in Table 9 below.

Table 9: Compliance and Controls Rating Scales

Adequacy of Controls Rating		Compliance Rating	
Rating	Description	Rating	Description
A	Adequate controls – no improvement needed	1	Compliant
B	Generally adequate controls – improvement needed	2	Non-compliant – minor effect on customers of third parties
C	Inadequate controls – significant improvement required	3	Non-compliant – moderate effect on customers or third parties
D	No controls evident	4	Non-compliant – major effect on customers or third parties
N/P	Not performed – A control rating was not required	N/R	Not rated – No Activity took place during the audit period

Table 10 Compliance Performance Summary outlines the compliance and controls rating for each obligation

Table 10: Summary of Performance Assessment

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings					
					A	B	C	D	NP	1	2	3	4	NR	
1	Water Services Act Section 21(1)(a)	OL 16: Clause 4.3.1(a) OL 17: Clause 4.3.1(a)	1	2	✓						✓				
2	Water Services Act Section 21(1)(b)	OL 16: Clause 4.3.1(b) OL 17: Clause 4.3.1(b)	2	4					✓	✓					
3	Water Services Act Section 21(1)(c)	OL 16: Clauses 4.1.1 OL 17: Clauses 4.1.1	2	4					✓	✓					
4	Water Services Act Section 22	OL 16: Clause 4.4.1(a) OL 17: Clause 4.4.1(a)	2	4					✓						✓
5	Water Services Act Section 23	OL 16: Clause 4.5.1 OL 17: Clause 4.5.1	2	3	✓						✓				
6	Water Services Act Sections 24(1)(a) & 24(2)	OL 16: Clause 5.1.1 OL 17: Clause 5.1.1	2	4					✓	✓					
7	Water Services Act Section 24(1)(b)	OL 16: Clause 5.1.2 OL 17: Clause 5.1.3	2	4					✓	✓					
8	Water Services Act Section 24(1)(c)	OL 16: Clause 5.1.4 OL 17: Clause 5.1.4	2	4					✓	✓					

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings				
					A	B	C	D	NP	1	2	3	4	NR
9	Water Services Act Section 25	OL 16: Clause 5.3.1 OL 17: Clause 5.3.1	2	5					✓	✓				
10	Water Services Act Section 26(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4		✓					✓			
11	Not used													
12	Not used													
13	Water Services Act Section 36	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓									✓
14	Water Services Act Section 60	OL 16: Clause 6.3.1 OL 17: Clause 6.3.1	2	4					✓					✓
15	Water Services Act Section 70(2)	OL 16: Clause 6.2.1 OL 17: Clause 6.2.1	2	4					✓	✓				
16	Water Services Act Section 77(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓	✓				
17	Water Services Act Sections 82(4) & (5)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓					✓				
18	Water Services Act Section 84(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓									✓

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings				
					A	B	C	D	NP	1	2	3	4	NR
19	Water Services Act Section 87(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓					✓
20	Water Services Act Section 90(7)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	NR	5					✓					✓
21	Water Services Act Section 95(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	1	1	✓					✓				
22	Water Services Act Section 96(1)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓	✓				
23	Water Services Act Section 96(5)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	NR	3	✓					✓				
24	Water Services Act Section 98(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓					✓
25	Water Services Act Section 106(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓					✓				
26	Water Services Act Section 110(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	5					✓					✓
27	Water Services Act Section 112(5)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓					✓

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings				
					A	B	C	D	NP	1	2	3	4	NR
28	Water Services Act Section 119(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓					✓
29	Water Services Act Section 122(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓					✓				
30	Water Services Act Section 125(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓					✓				
31	Water Services Act Section 128(4)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3		✓					✓			
32	Water Services Act Section 129(5)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3		✓				✓				
33	Water Services Act Section 139(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	NR	5					✓					✓
34	Water Services Act Section 141(1)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	1		✓					✓			
35	Water Services Act Sections 142	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓					✓				
36	Water Services Act Sections 143 (2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓					✓				

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings					
					A	B	C	D	NP	1	2	3	4	NR	
37	Water Services Act Sections 143 (3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				
38	Water Services Act Sections 144(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓						✓
39	Water Services Act Section 145(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓						✓
40	Water Services Act Section 147(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓						✓
41	Water Services Act Section 147(4)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓						✓
42	Water Services Act Section 151(1)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				
43	Water Services Act Section 151(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				
44	Water Services Act Section 152(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓	✓					
45	Water Services Act Section 153(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓						✓

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings				
					A	B	C	D	NP	1	2	3	4	NR
46	Water Services Act Section 166(5)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓					✓
47	Water Services Act Section 166(6)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓					✓
48	Water Services Act Section 170	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓	✓				
49	Water Services Act Section 173(4)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3		✓				✓				
50	Water Services Act Section 174(1)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓					✓				
51	Water Services Act Section 174(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓					✓				
52	Water Services Act Section 175(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓					✓				
53	Water Services Act Section 175(5)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	2	✓						✓			
54	Water Services Act Section 176(1)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4		✓								✓

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings				
					A	B	C	D	NP	1	2	3	4	NR
55	Water Services Act Section 176(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓					✓
56	Water Services Act Section 176(4)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓					✓
57	Water Services Act Section 181	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	NR	4		✓								✓
58	Water Services Act Section 186	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓					✓
59	Water Services Act Section 187(1) – (3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓					✓
60	Water Services Act Section 190(4)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓					✓
61	Water Services Act Section 190(5)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓					✓
62	Water Services Act Section 210(5)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓					✓				
63	Water Services Act Section 218(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	NR	5	✓					✓				

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings					
					A	B	C	D	NP	1	2	3	4	NR	
64	Water Services Act Section 218(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				
65	Water Services Regulations 2013 Regulation 23(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4	✓						✓				
66	Water Services Regulations 2013 Regulation 24(4)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓						✓
67	Water Services Regulations 2013 Regulations 26(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4		✓						✓			
68	Water Services Regulations 2013 Regulation 26(5)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓	✓					
69	Water Services Regulations 2013 Regulation 29(1)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓	✓					
70	Water Services Regulations 2013 Regulation 42(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓										✓

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings					
					A	B	C	D	NP	1	2	3	4	NR	
71	Water Services Regulations 2013 Regulation 43(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓										✓
72	Water Services Regulations 2013 Regulation 43(6)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓										✓
73	Not used														
74	Water Services Regulations 2013 Regulation 60(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				
75	Water Services Regulations 2013 Regulation 63	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				
76	Water Services Regulations 2013 Regulations 65(1)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4						✓	✓				
77	Water Services Regulations 2013 Regulations 65(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4						✓	✓				

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings					
					A	B	C	D	NP	1	2	3	4	NR	
78	Water Services Regulations 2013 Regulation 65(4)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				
78A	Water Services Regulations 2013 Regulation 65(5) and 65(6)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓										✓
79	Water Services Regulations 2013 Regulation 67	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓	✓					
80	Water Services Regulations 2013 Regulations 68(5)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	N/R	4					✓	✓					
81	Water Services Regulations 2013 Regulations 68(6)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓	✓					
82	Water Services Regulations 2013 Regulations 68(7)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4	✓						✓				
83	Water Services Regulations 2013 Regulations 68(8)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4	✓										✓

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings					
					A	B	C	D	NP	1	2	3	4	NR	
84	Water Services Regulations 2013 Regulation 69(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4	✓						✓				
85	Water Services Regulations 2013 Regulation 70(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓						✓
86	Water Services Regulations 2013 Regulation 74(1)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4	✓						✓				
87	Water Services Regulations 2013 Regulation 74(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4	✓						✓				
88	Water Services Regulations 2013 Regulation 75(1)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓	✓					
88A	Water Services Regulations 2013 Regulation 80H	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				
89	Water Services Regulations 2013 Regulation 85	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings					
					A	B	C	D	NP	1	2	3	4	NR	
90	Water Services Regulations 2013 Regulation 86(6)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				
91	Water Services Regulations 2013 Regulation 86(9)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				
92	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 8(1)-(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4	✓						✓				
93	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 9(2) and (4)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				
94	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 10(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				
95	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 11(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	2	✓							✓			

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings					
					A	B	C	D	NP	1	2	3	4	NR	
96	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 11(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4						✓	✓				
97	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 11(4)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4						✓	✓				
98	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 11(5)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4						✓	✓				
98A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 11(6)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	2		✓						✓			
99	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 12	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4	✓							✓			
100.	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 13(1)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				
100A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 13(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3		✓						✓			

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings					
					A	B	C	D	NP	1	2	3	4	NR	
101	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 13(4)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3		✓						✓			
101A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 13(5)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓							✓			
102	Not used														
102A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 13(6)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				
103	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 14(1)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				
104	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 14(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				
104A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 15(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	2		✓							✓		

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings				
					A	B	C	D	NP	1	2	3	4	NR
105	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 16(1)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓	✓				
106	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 17(2) & (3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓	✓				
107	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 18(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓					✓				
108	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 18(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓					✓				
109	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 18(4)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3		✓					✓			
110	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 18(5)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓									✓
111	Not used													

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings					
					A	B	C	D	NP	1	2	3	4	NR	
111A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 19(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	1			✓					✓			
112	Not used														
112A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 19(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				
112B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 19(4)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				
112C	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 19(5)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				
113	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 20(1)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓	✓					
114	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 20(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓	✓					
115	Water Services Code of Conduct (Customer Service	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings				
					A	B	C	D	NP	1	2	3	4	NR
	Standards) 2018 Clauses 20(3) & (6)													
116	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 20(4)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓	✓				
117	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 20(5)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	2		✓					✓			
117A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 21	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3		✓					✓			
118	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 23	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3		✓					✓			
119	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 24(1)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓	✓				
120	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 24(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓	✓				

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings				
					A	B	C	D	NP	1	2	3	4	NR
121	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 25(1)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓	✓				
122	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 26(1)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓	✓				
123	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 27	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓	✓				
124	Not used													
124A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 28(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓			
124B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 28(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓			
124C	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 28(4)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓			
125	Water Services Code of Conduct (Customer Service	OL 16: Clauses 4.1.1 and Schedule 3,	2	4					✓	✓				

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings				
					A	B	C	D	NP	1	2	3	4	NR
	Standards) 2018 Clauses 29(1) & (2)	clause 1.1.1 OL 17: Clauses 4.1.1 and Schedule 3, clause 1.1.1												
126	Not used													
126A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓			
126B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(4)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓									✓
127	Not applicable as the Corporation has held its licence for more than six months.													
128	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(6)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4						✓	✓			
129	Not used													
129A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(7)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4						✓				✓

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings					
					A	B	C	D	NP	1	2	3	4	NR	
129B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(8)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4						✓					✓
129C	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(9)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4						✓					✓
130	Not used														
130A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	2	✓						✓				
130B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	2	✓						✓				
131	Not used														
131A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(4)(a)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				
131B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(4)(b)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings				
					A	B	C	D	NP	1	2	3	4	NR
	Standards) 2018 Clause 30(4)(b)													
131C	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(4)(c)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓			
132	Not used													
133	Water Services Code of Conduct (Customer Service Standards) 2018 Clauses 31(4) & (5)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓			
133A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 32	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	2	✓							✓		
134	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 33(1)(a)-(c)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3		✓						✓		
134A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 33(1)(d)-(e)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓			

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings					
					A	B	C	D	NP	1	2	3	4	NR	
135	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 40(1)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				
136	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 40(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				
137	Not used														
137A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 36(1)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				
137B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 36(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				
137C	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 36(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	2		✓						✓			
138	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 37(1)(a)-(e) & (h).	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓							✓			

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings					
					A	B	C	D	NP	1	2	3	4	NR	
138A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 37(1)(f)-(g)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				
138B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 38	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3		✓						✓			
139	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 39	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	2		✓					✓				
140	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 41(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3		✓						✓			
141	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 41(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3		✓						✓			
142	Not applicable to the water corporation														
143	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 41(5)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				
144	Not applicable to the water corporation														

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings				
					A	B	C	D	NP	1	2	3	4	NR
144A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 43(1)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	2			✓							✓
144B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 43(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	2			✓							✓
144C	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 44(1)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	2	✓					✓				
144D	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 44(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	2	✓					✓				
144E	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 45	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓	✓				
145	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(1)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓	✓				
146	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓	✓				

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings					
					A	B	C	D	NP	1	2	3	4	NR	
147	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				
148	Not used														
148A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(4)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4						✓	✓				
149	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(5)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4						✓	✓				
149A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 47	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	2		✓						✓			
150	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 48(1)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				
151	Not used														
152	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 48(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4						✓	✓				

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings					
					A	B	C	D	NP	1	2	3	4	NR	
153	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 49(1)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3		✓						✓			
154	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 49(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3		✓						✓			
154A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 49(3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	5					✓	✓					
154B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 51(1) & (3)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	1	✓						✓				
154C	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 52	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	1	1	✓						✓				
154D	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 53	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	1	✓										✓
155	Water Services Act Section 12	OL 16: Clause 4.2.1 OL 17: Clause 4.2.1	2	3	✓						✓				

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings				
					A	B	C	D	NP	1	2	3	4	NR
156	Not used													
157	Not used													
158	Not used													
159	Water Services Act Section 12	OL 16: Clause 4.1.2 OL 17: Clause 4.1.2	2	4					✓					✓
159A	Not used													
160	Water Services Act Section 12	OL 16: Clause 4.6.1 OL 17: Clause 4.6.1	2	4	✓						✓			
161	Water Services Act Section 12	OL 16: Clause 5.2.1 OL 17: Clause 5.2.1	2	2		✓					✓			
162	Water Services Act Section 12	OL 16: Clause 5.3.4 OL 17: Clause 5.3.4	2	4					✓	✓				
163	Water Services Act Section 12	OL 16: Clauses 4.7.1(a), (b), (c) OL 17: Clauses 4.7.1(a), (b), (c)	2	4					✓					✓
164	Not used													

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings				
					A	B	C	D	NP	1	2	3	4	NR
165	Water Services Act Section 12	OL 16: Clause 4.8.1 OL 17: Clause 4.8.1	2	4					✓	✓				
166	Not used													
167	Water Services Act Section 12	OL 16: Clause 4.8.2 OL 17: Clause 4.8.2	2	4					✓	✓				
168	Water Services Act Section 12	OL 16: Clauses 3.8.1 and 3.8.2 OL 17: Clauses 3.8.1 and 3.8.2	2	4					✓					✓
169	Water Services Act Section 12	OL 16: Clause 3.7.1 OL 17: Clause 3.7.1	2	4					✓	✓				
170	Not used													
170A	Not applicable for the Corporation													
171	Water Services Act Section 12	OL 16: Clause 5.1.3 OL 17: Clause 5.1.3	2	4					✓					✓
172	Water Services Act Section 12	OL 16: Clause 5.1.7 OL 17: Clause 5.1.7	2	4					✓					✓
172A	Water Services Act Section 12	OL 16: Clause 6.1.1 OL 17: Clause 6.1.1	2	4					✓					✓

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings				
					A	B	C	D	NP	1	2	3	4	NR
172B	Water Services Act Section 12	OL 16: Clause 6.1.2 OL 17: Clause 6.1.2	2	4					✓					✓
173	Not used													
174	Not used													
175	Not used													
176	Not used													
177	Not used													
178	Not used													
179	Not used													
180	Not used													
181	Water Services Act Section 12	OL 16: Clause 6.3.1 OL 17: Clause 6.3.1	2	4					✓					✓
182	Water Services Act Section 12	OL 16: Clause 4.4.1(b) OL 17: Clause 4.4.1(b)	2	4					✓					✓
183	Not used													

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings				
					A	B	C	D	NP	1	2	3	4	NR
184	Water Services Act Section 12	OL 16: Clause 7.1.1 OL 17: Clause 7.1.1	N/R	5					✓	✓				
184A	Water Services Act Section 12	OL 16: Clause 7.1.2 OL 17: Clause 7.1.2	N/R	5					✓	✓				
184B	Water Services Act Section 12	OL 16: Clause 7.1.3 OL 17: Clause 7.1.3	N/R	5					✓	✓				
185	Water Services Act Section 12	OL 16: Clause 7.1.4 OL 17: Clause 7.1.4	2	3	✓						✓			
186	Water Services Act Section 12	OL 16: Clause 7.1.5 OL 17: Clause 7.1.5	2	4					✓	✓				
187	Water Services Act Section 12	OL 16: Clause 7.1.6 OL 17: Clause 7.1.6	2	3	✓					✓				
188	Water Services Act Section 12	OL 16: Clause 7.1.7 OL 17: Clause 7.1.7	2	3	✓					✓				
189	Water Services Act Section 12	OL 16: Clause 7.1.8 OL 17: Clause 7.1.8	2	3	✓					✓				
190	Water Services Act Section 12	OL 16: Schedule 2 OL 17: Schedule 2	2	2		✓					✓			

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings					
					A	B	C	D	NP	1	2	3	4	NR	
191	Water Services Code of Practice (Family Violence) 2020 Clause 5(1)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3		✓						✓			
192	Water Services Code of Practice (Family Violence) 2020 Clause 5(2)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓	✓					
193	Water Services Code of Practice (Family Violence) 2020 Clause 6	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓					✓					
194	Water Services Code of Practice (Family Violence) 2020 Clause 7	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	4					✓						✓
195	Water Services Code of Practice (Family Violence) 2020 Clause 8(1)	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓					✓					
196	Not applicable to the Corporation														
197	Water Services Code of Practice (Family Violence) 2020 Clause 9	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3		✓						✓			

No.	Obligations Under Licence Conditions	Licence Obligation	Type	Audit priority	Adequacy of Controls					Compliance Ratings					
					A	B	C	D	NP	1	2	3	4	NR	
198	Water Services Code of Practice (Family Violence) 2020 Clause 10	OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	2	3	✓						✓				

No.	Obligations under licence conditions	Licence Obligation	Audit priority	Adequacy of Controls					Compliance Ratings					
				A	B	C	D	NP	1	2	3	4	NR	
1.1 Potable water system – pressure and flow standards	Provide continuity of pressure and flow for services in accordance with the following standard: Perth Metropolitan 15 minimum static pressure, 100 maximum static pressure, 20 litres minimum flow. Country Urban Areas 13 minimum static pressure, 100 maximum static pressure, 20 litres minimum flow.	1.1.1	4					✓	✓					
1.2 Potable water system – pressure and flow exemptions	Licensee must notify: new customers upon purchase of the affected property as soon as practicably; and existing customers at least annually, that pressure and flow of the water supplied falls outside of standard pressure and flow. The notification must include: the pressure and flow range; and further information about how to manage the exempt pressure and flow.	1.2.1 1.2.2	2		✓						✓			

No.	Obligations under licence conditions	Licence Obligation	Audit priority	Adequacy of Controls					Compliance Ratings				
				A	B	C	D	NP	1	2	3	4	NR
1.3 Water restrictions	Licensee must notify the ERA annually of any restrictions applied in accordance with the Water Services Regulations 2013 to a potable water supply, detailing restrictions by scheme, type (severity), duration, start date and number of services affected.	1.3.1	4					✓					✓
4.1.1	The licensee must operate, manage, maintain, plan and construct its drains and drainage schemes as set out below, and shall consult in relation to such activities as required by this Schedule.	4.1.1	4					✓	✓				
4.1.2	4.1.2 Urban drainage scheme infrastructure provided by the licensee for the purpose of protection against flooding shall be designed, constructed, operated and maintained such that the peak flows of stormwater runoff from rainfall events can be accepted into and will not overflow from the system in accordance with the following standard: Drainage – Design of new urban	4.1.2	4					✓	✓				

No.	Obligations under licence conditions	Licence Obligation	Audit priority	Adequacy of Controls					Compliance Ratings				
				A	B	C	D	NP	1	2	3	4	NR
	<p>infrastructure Design of new urban drainage scheme infrastructure protects against flooding from peak flows of stormwater runoff from rainfall events with intensities up to:</p> <ul style="list-style-type: none"> — Residential – 5-year average recurrence interval — Commercial – 10-year average recurrence interval 												
4.1.3	<p>In the above table the meaning of the term “average recurrence interval” shall be consistent with the discussion on probability concepts for flood estimation and rainfall intensity – frequency – duration estimation, as contained in Books 1 & 2 respectively of the Institution of Engineers Australia publication, Australian Rainfall and Runoff (1987).</p>	4.1.3	4					✓	✓				
4.1.4	<p>In planning and designing urban infrastructure, the licensee must have due regard to the principles, concepts and recommendations of Australian Rainfall and Runoff (1987).</p>	4.1.4	4					✓	✓				

No.	Obligations under licence conditions	Licence Obligation	Audit priority	Adequacy of Controls					Compliance Ratings				
				A	B	C	D	NP	1	2	3	4	NR
4.1.5	If, prior to 1 January 1996, the licensee constructed drainage infrastructure to levels of service standards which were less than those specified in this Schedule then there will be no obligation under this licence for the licensee to upgrade any infrastructure existing as at 1 January 1996, to meet the above standards where there have been no instances of flooding confirmed to be due to the under capacity of the infrastructure to meet those standards. Where there have been instances of flooding confirmed to be due to under capacity of infrastructure to meet the standards of this Schedule, the licensee must upgrade the infrastructure to those standards or must take such action as agreed with affected customers.		4					✓	✓				
4.1.6	The drainage system will accept drainage water from Local Government works but will not be required under this licence to be		4					✓	✓				

No.	Obligations under licence conditions	Licence Obligation	Audit priority	Adequacy of Controls					Compliance Ratings					
				A	B	C	D	NP	1	2	3	4	NR	
	upgraded to accept any additional drainage water.													
4.1.7	<p>Notwithstanding that the licensee’s urban drainage infrastructure shall itself be designed to the capacity standards listed in this Schedule, in planning and designing such infrastructure the licensee must have due regard to the major/minor concept of drainage design discussed in Book 8, 1.5.1 of Australian Rainfall and Runoff (1987). Such due regard will be adequately demonstrated:</p> <p>(a) in the case of it undertaking, commissioning or accepting a design for new drainage infrastructure, by the licensee ensuring that the local authorities involved have been made aware of the predicted response of the combined major/minor system to major storm events, for the information of those authorities in relation to their responsibilities for the</p>		4					✓	✓					

No.	Obligations under licence conditions	Licence Obligation	Audit priority	Adequacy of Controls					Compliance Ratings				
				A	B	C	D	NP	1	2	3	4	NR
	<p>establishment and management of the major (as described in Australian Rainfall and Runoff (1987)) elements of the major/minor system infrastructure; and</p> <p>(b) in the case of it undertaking a capacity review of an existing licensee drainage scheme, by the licensee causing a broad assessment to be made of the behaviour of the combined major/minor system under major event conditions, and conveying the conclusions of such assessment to the local authorities involved, for the information of those authorities in relation to their responsibilities for management of the major (as described in Australian Rainfall and Runoff (1987)) elements of the major/minor system infrastructure.</p>												
4.1.8	The licensee will ensure all new rural drainage infrastructure	4.1.8	4					✓	✓				

No.	Obligations under licence conditions	Licence Obligation	Audit priority	Adequacy of Controls					Compliance Ratings					
				A	B	C	D	NP	1	2	3	4	NR	
	complies with the Rural Drainage Manual of Standards 1977.													
4.1.9	The following flood protection works will be operated and maintained to cater for the peak flows of stormwater runoff from individual rainfall events set out below: Preston River levees at Bunbury – Leschenault inlet to Picton bridge = 1 in 100 years; Vasse River Diversion in Bussleton = 1 in 20 years.	4.1.9	4					✓	✓					
5.1.1	The licensee must supply water that is suitable for irrigation purposes.	5.1.1	3	✓						✓				
5.1.2	The licensee must provide at least 5 business days' notice to a customer of any planned service interruption.	5.1.2	3	✓						✓				
5.1.3	Irrigation Water Quality <1,200mg/L TDS Percentage of customers given 5 days' notice of a planned interruption >90	5.1.3	3	✓						✓				

No.	Obligations under licence conditions	Licence Obligation	Audit priority	Adequacy of Controls					Compliance Ratings					
				A	B	C	D	NP	1	2	3	4	NR	
6.1.1	In cases where services are provided by agreement to farms the licensee must provide annual notifications to customers of the conditions under which the service is supplied.	6.1.1	2		✓						✓			
6.1.2	<p>Subject to customers complying with licensee requirements the licensee must ensure that customers connected to its Farmlands Water Systems shall have, at the outlet of the water meter to their property, a water pressure and flow as follow:</p> <p>1) Farmland services supplied from the Goldfields and Agriculture Water Supply, the Great Southern Town Water Supply Scheme and Mid-West Region:</p> <p>Max static pressure = 200 and Min flow = 3kL/day per service</p> <p>Rural water supply schemes:</p> <p>Max static pressure = 200 and Min flow = 1.8kL/day per service.</p>	6.1.2	2	✓						✓				

Table 11: Compliance and Controls Rating Scales

		Compliance Rating					Total
		1	2	3	4	N/R	
Controls Ratings	A	78	8	-	-	10	96
	B	3	25	1	-	2	31
	C	-	1	-	-	2	3
	D	-	-	-	-	-	-
	N/P	61	-	-	-	37	98
	Total	142	34	1	-	51	228

4. Detailed Findings

Detailed below are our observations from this audit, obtained through interviews, examination of documentation, observation of processes and systems and reviewing samples of source documents and transactions to determine whether established procedures, as well as the licence obligations, had been complied with.

Ratings applied to each licence obligation have been done in accordance with the compliance and controls rating scale as prescribed in the Guidelines.

Although the Corporation's control procedures and control environment for all licence obligations have been assessed, we rated the control procedures and control environment for licence obligations with an audit priority of 4 and 5 as "Not Performed (N/P) – a controls rating was not required" as required by the Guidelines, except if they have been assessed to be non-compliant.

We have not included recommendations pertaining to licence obligations rated B unless they have been rated as non-compliant. These recommendations have been reported separately to the Corporation, as required by the Guidelines.

Table 12: Detailed Observations and Recommendations for the Current Audit Period

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
Water Services Act 2012					
1	<p>Water Services Act Section 21(1)(a)</p> <p>OL 16: Clause 4.3.1(a) OL 17: Clause 4.3.1(a)</p> <p>The licensee must provide a water service authorised by the licence to persons entitled to the service under the Act, except to the extent otherwise provided for by the Act.</p>	2	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Senior Advisor Business Management — Support Officer Business Services — Manager Business Management <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — BuilderNet Rejection List — Buildernet Cancellation List — OWR-OA-309 - Operating Area Map — OWR-OA-175(E) - Operating Area Map — OWR-OA-175-1(B) - Operating Area Map — PCY311 Service Connections — S380 Water Services By Agreement — Drainage Connects — Building and Service Application Procedure <p>Development Services is the business unit responsible for this licence obligation.</p> <p>Through discussion and a review of policies, procedures and work instructions, we confirmed that the Corporation provides water services to persons entitled under</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>the Water Services Act 2012 Section 21(1)(a). The Corporation was granted a licence to provide the following services:</p> <ul style="list-style-type: none"> — Water supply services: <ul style="list-style-type: none"> — Potable water supply services; and — Non-potable water supply services. — Sewerage services; <ul style="list-style-type: none"> — Drainage services; and — Irrigation services. <p>The Corporation provides water services in the operating areas as set out in the following plans:</p> <ul style="list-style-type: none"> — OWR-OA-309; — OWR-OA-175(E); and — OWR-OA-175-1(B). <p>Standard terms and conditions and agreement terms and conditions determine the provision of water services.</p> <p>Development Services provides water services authorised by the licence to persons entitled to the service under the <i>Water Services Act 2012</i> as follows.</p> <ul style="list-style-type: none"> — Water supply services and Sewerage services – online application process using BuilderNet [applications lodged manually are also processed through BuilderNet] – applications that cannot be processed through BuilderNet, can be processed using Manual Grant Interface (Water Corporation’s Customer Service Information System). 		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> — Drainage services – are generally not provided on a service-by-service basis [the Corporation manages arterial drains only] – when they do occur, they are processed through DeveloperNet. — Irrigation services – are generally not provided on a service-by-service basis - when they do occur, they are processed through DeveloperNet. <p>Based on our enquiry, the Corporation has not refused to provide a water service to any “entitled” applicant. Development Services can:</p> <ul style="list-style-type: none"> — reject an application (to provide water services to a person entitled to the service) where the person: <ul style="list-style-type: none"> — unreasonably refuses to comply with the Corporation’s requirements (i.e., standard terms and conditions); or — supply incorrect or incomplete details; or — refuse to enter into an agreement for the service; or — failure to pay the fees and charges. — cancel applications at the choice of the Customer, the Corporation or because of non-payment. <p>Customers are referred to before applications are rejected or cancelled, with appropriate explanation advised in person or by email etc. Comments are entered into BuilderNet.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
2	<p>Water Services Act Section 21(1)(b)</p> <p>OL 16: Clause 4.3.1(b) OL 17: Clause 4.3.1(b)</p> <p>The licensee must if requested, offer to provide the water service authorised by the licence to any other person (not covered by section 21(1)(a) of the Act) within the operating area of the licence on reasonable terms, unless provision of the service is not financially viable or is otherwise not practicable.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Senior Advisor Business Management — Support Officer Business Services — Manager Business Management <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — “Arrangement” with the Commonwealth Government to perform operations and maintenance services on Cocos (Keeling) and Christmas Islands — OWR-OA-309 - Operating Area Map — OWR-OA-175(E) - Operating Area Map — OWR-OA-175-1(B) - Operating Area Map <p>Through enquiries and a review of the <i>S380 Water Services By Agreement</i>, we noted that the Corporation provides water services to persons not covered by section 21(1) (a), who are within the operating area of the licence and who meets the eligibility criteria as set out in the <i>S380 Water Services By Agreement</i> and the <i>Water Corporation Agreement</i>.</p> <p>We reviewed a sample selection of 35 “<i>Rejected</i>” applications and a sample selection of 35 “<i>Cancelled</i>” applications and did not identify any discrepancies against the requirements stipulated in Section 21(1) (b) of the <i>Water Services Act 2012</i>.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
3	<p>Water Services Act Section 21(1)(c)</p> <p>OL 16: Clauses 4.1.1 OL 17: Clauses 4.1.1</p> <p>The licensee must provide, operate and maintain the water service works specified by the ERA in the licence for the purposes of section 11(3).</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manger Operations Compliance — Manager Operations Delivery <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — PCY208 – Identification of Engineering Assets — Plan Asset Maintenance Framework <p>Through enquiries, we observed the Corporation has systems, policies and processes in place to ensure that they continue to provide, operate and maintain water service works specified by the ERA in accordance with the licence requirements.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
4	<p>Water Services Act Section 22</p> <p>OL 16: Clause 4.4.1(a) OL 17: Clause 4.4.1(a)</p> <p>The licensee must notify the ERA as soon as practicable before commencing to provide the water service outside of the operating area of the licence.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Senior Advisor Business Management — Support Officer Business Services — Manager Business Management <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — “Arrangement” with the Commonwealth Government to perform operations and maintenance services on Cocos (Keeling) and Christmas Islands — OWR-OA-309 - Operating Area Map — OWR-OA-175(E) - Operating Area Map — OWR-OA-175-1(B) - Operating Area Map <p>The current boundaries of the Corporation Licence Operating areas include the whole state for water, sewerage and/or drainage.</p> <p>The current boundaries of the Corporation’s Licence Operating areas (via Plan Number) are:</p> <ul style="list-style-type: none"> — OWR-OA-309 – Water Supply Services – April 2016 - operating area extends to match contiguous zone boundary. — OWR-OA-309 – Sewerage Services – April 2016 - operating area extends to match contiguous zone boundary. — OWR-OA-309 – Drainage Services – April 2016 - Drainage operating area extends to match land boundary. 	NP	N/R

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> — OWR-OA-175(E) – Irrigation Services – December 2013 – Ord River Operating Area. — OWR-OA-175-1(B) – Irrigation Services – December 2013 - Ord River (Kununurra) Operating Area. <p>The Corporation has an “Arrangement” with the Commonwealth Government to perform operations and maintenance services on Cocos (Keeling) and Christmas Islands. This is not for Water Services. The Water Services provider for the Islands is the Commonwealth Government of the Service Delivery Agreement [Cocos (Keeling) and Christmas Islands.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
5	<p>Water Services Act Section 23</p> <p>OL 16: Clause 4.5.1</p> <p>OL 17: Clause 4.5.1</p> <p>All water service works used by the licensee in the provision of a water service must be held by the licensee, or must be covered by a works holding arrangement.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Head of Infrastructure Markets — Senior Principal – Infrastructure Markets <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Introduction to Section 23 of WSA — Email confirmations with Regional Managers and Alliance Managers <p>The Corporation addresses Section 23 of the <i>Water Services Act 2012</i> as follows:</p> <ul style="list-style-type: none"> — Each May/June, the Head of Infrastructure Markets instructs the Senior Principal, Infrastructure Markets, to issue an email to all the Regional Managers and Alliance Managers to confirm compliance with the requirements of Section 23; — The Senior Principal, Infrastructure Markets, issues an email to all Regional Managers and Alliance Managers; — The Senior Principal, Infrastructure Markets, provides regular verbal updates to the Head of Infrastructure Markets on the receipt of confirmation of compliance from the Regional Managers and Alliance Managers; — The Senior Principal, Infrastructure Markets, provides a reminder email to the Regional Managers and Alliance Managers who have not responded to the email as the deadline for the confirmation of compliance approaches – typically end of June; 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> – The Senior Principal provides clarification to the Regional Managers and Alliance Managers on any issues regarding Section 23 with a view to securing the necessary compliance confirmation by the deadline; – The Senior Principal compiles the responses from the Regional Managers and Alliance Managers and discusses the outcome with the Head of Infrastructure Markets; and – The Senior Principal provides the outcome of the confirmation of compliance to Risk & Assurance. <p>We reviewed the responses provided by the Regional Managers and Alliance Managers and did not identify any instances of breach.</p> <p>Recommendations</p> <p>Not Applicable</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
6	<p>Water Services Act Sections 24(1)(a) & 24(2)</p> <p>OL 16: Clause 5.1.1</p> <p>OL 17: Clause 5.1.1</p> <p>The licensee must provide for an asset management system in respect of the licensee's water service works.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Head of Asset Strategy – Manager Asset Management System & Risk <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – Asset Management System Manual – ERA Notice of 2021 Asset Management System Review-WL032 – 2021 Water Corporation - Asset Management System Review report – http://www.erawa.com.au/cproot/22265/2/2021-Asset-management-system-review-report.pdf 	NP	1
7	<p>Water Services Act Section 24(1)(b)</p> <p>OL 16: Clause 5.1.2</p> <p>OL 17: Clause 5.1.3</p> <p>The licensee must give details of the asset management system and any changes to it to the ERA (the licence prescribes timeframes for providing this information to the ERA –</p>	4	<p>Section 24(1)(a) and (2)</p> <p>Through our examination of key documents, discussions with key stakeholders, examination of the Asset Management System Manual, and observations of related processes, procedures, and operations, in all material respects, the Corporation has an asset management system in place that provides for the operation and maintenance of the water service works.</p> <p>The Corporation's asset management system is supported by several strategic documents, including the Asset Management Manual, the Asset Management Strategy and Asset Management System Improvement Plans.</p>	N/P	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	see obligations 170A and 171).		We observed that the Asset Management System (AMS) is one of many management systems in the Corporation. Most management systems are certified to an International or Australian standard.		
8	<p>Water Services Act Section 24(1)(c)</p> <p>OL 16: Clause 5.1.4</p> <p>OL 17: Clause 5.1.4</p> <p>A licensee must provide the ERA with a report by an independent expert as to the effectiveness of its asset management system every 24 months, or such longer period as determined by the ERA.</p>	4	<p>Prior to 2019, any changes to the AMS were identified through the Investment Governance Committee (IGC). The meeting agenda contained a standing agenda item for Executive to discuss whether there had been any material changes to the AMS. The Head of Asset Strategy would then liaise with the Head of Risk and Assurance to determine if changes are material and to provide written advice to the ERA within ten business days, if required.</p> <p>The current process is documented in the Notification to ERA of Changes to Asset Management System Procedure. The procedure clarifies what is considered to be a material change to the AMS. Other than the removal of the requirement for the changes to be communicated through the IGC meetings, there is no change to the process. The Head of Asset Strategy remains accountable for identification of any changes to the AMS, and communicates these to the Head of Risk and Assurance who notifies the ERA within 10 business days of the change.</p> <p>Obligation 7 was removed from the Water Compliance Reporting Manual from 1 October 2021. In any case, we confirmed there were no material changes to the Asset Management System within the audit scope period.</p> <p>The Corporation's process and accountabilities for managing Asset Management System Review's (AMSRs) is documented in the Management of ERA Asset Management System Compliance Procedure. The last AMSR was conducted in 2021, a Letter from the ERA confirming frequency of review to be extended to 48 months.</p> <p>No issues identified.</p>	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Recommendations</p> <p>Not Applicable</p>		
9	<p>Water Services Act Section 25</p> <p>OL 16: Clause 4.1.1 OL 17: Clause 4.1.1</p> <p>A licensee must, not less than once every 24 months, or such longer period as determined by the ERA, provide the ERA with an operational audit conducted by an independent expert appointed by the ERA.</p>	5	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Regulation and Compliance — Specialist Water Services Licence <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — ERA’s 2019 Audit and Review Guidelines – Water Licences — Crowe Australasia 2020 Operational Audit Report — Letter to Mr Pat Donovan dated 18 March 2021 from the ERA — Operational Audit Work Instruction #49521726 — Summary of Water Services Licence Requirements and Documents #58543068 <p>We confirmed that the previous operational audit was completed in December 2018 and covered the period of 1 July 2015 to 30 June 2018.</p> <p>The 2020 Operational Audit was conducted as prescribed and published on the ERA’s website. At the conclusion of the 2020 Operational Audit the ERA prescribed the timeframe for the next audit.</p> <p>For the period 1 July 2020 to 30 June 2022, the ERA is responsible for appointing the Auditor.</p> <p>The Corporation has developed an internal work instruction for the facilitation of the Operational Audit and includes steps involved in ensuring the Corporation is adequately prepared for the Audit. The Corporation also maintains a document</p>	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>titled Summary of Water Services Licence Requirements and Documents. At a high level this document lists all licence obligations, the responsible business area and keys documents associated with the obligations.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
10	<p>Water Services Act Section 26(3)</p> <p>OL 16: Clause 4.1.1 OL 17: Clause 4.1.1</p> <p>The licensee must comply with each code of practice made by the Minister to the extent to which it applies to the licensee.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Regulation and Compliance — Specialist Water Services Licence <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — ERA’s Water Compliance Reporting Manual: Obligations 191 to 198 <p>Through enquiry, we confirmed that the Customer Billing Operation business unit is responsible for ensuring that the Corporation complies with each code of practice made by the Minister to the extent to which it applies to the Corporation.</p> <p>We understand that, should the Minister make a code of practice that is applicable to the Corporation.</p> <p>On 9 December 2020, the Minister made a Code of Practice – the <i>Code of Practice (Family Violence)</i> - applicable to the Corporation. The <i>Code</i> is listed as Obligation 191 to 198 in the ERA’s Water Compliance Reporting Manual. Compliance with these obligations is tested under those licence obligations accordingly.</p> <p>Please refer to Obligations 191 and 198 for details of the non-compliance issues identified.</p>	B	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Recommendations have been made under the individual licence obligations where non-compliance has been identified.</p> <p>Recommendation</p> <p>Not applicable as we have made individual recommendations under the specific obligations.</p>		
11	Not used				
12	Not used				
13	<p>Water Services Act Section 36</p> <p>OL 16: Clause 4.1.1 OL 17: Clause 4.1.1</p> <p>If the licensee ceases to provide a water service in an area, the licensee must ensure that the water service works are left in a safe condition, and must not remove any part of the works except with the approval of the Minister.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manger Operations Compliance — Manager Operations Delivery <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Decommissioning & Dispose Assets Guidelines — S087 Disposals Standard <p>This obligation relates to ceasing supply to an area in line with the operating area as per the Water Service Licence.</p> <p>We observed the Corporation has numerous documents which relate to decommissioning assets.</p> <p>The Corporation does not remove water service assets to an area – if it would then Assets Planning would make the decision and seek approval from the Minister. During the audit period, there was no activity in this respect.</p>	A	NR

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
14	<p>Water Services Act Section 60</p> <p>OL 16: Clause 6.3.1 OL 17: Clause 6.3.1</p> <p>If the licensee is the supplier of last resort for a designated area in relation to the provision of a particular water service, the licensee must perform the functions of the supplier of last resort and must comply with the relevant duties and carry out the relevant operations prescribed.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Regulation and Compliance — Specialist Water Services Licence <p>As per Section 55 (2) of the Act, the ERA appoints the supplier of last resort through an expression of interest process and provides notice in writing to the Corporation. Alternatively, under Section 55 (3) of the Act the Minister may appoint a supplier of last resort by notice in writing if no, or no suitable expressions of interest are received or if there is insufficient time to invite expression of interest. In both circumstances the Corporation will receive notice in writing if it has been appointed the supplier of last resort.</p> <p>We examined the ERA Correspondence Register and the Supplier of Last Resort work instruction.</p> <p>The Corporation has not been appointed a supplier of last resort during the audit period. Accordingly, there was no activity in this respect.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>	NP	NR

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
15	<p>Water Services Act Section 70(2)</p> <p>OL 16: Clause 6.2.1 OL 17: Clause 6.2.1</p> <p>The licensee must not supply water services to customers unless the licensee:</p> <p>is a member of the water services ombudsman scheme; and is bound by the scheme; and will comply with any decision or direction of the water services ombudsman under the scheme.</p>	4	<p>We interviewed the following personnel:</p> <ul style="list-style-type: none"> – Team Leader Policy & Compliance – Specialist Customer Assurance <p>We checked the Register of Members published on the Energy and Water Ombudsman Western Australia (EWOWA) website to confirm that the Corporation is a member of the Water Services Ombudsman Scheme.</p> <p>Review of the EWOWA Annual Reports, indicated that there were no binding decisions or directions from the EWOWA in the 2020–21 reporting period.</p> <p>We were unable to check the 2021–22 EWOWA Annual Report as it is yet to be published. However, through discussions with the Team Leader – Policy and Compliance, we confirmed that there was no binding decisions or directions from the EWOWA in the 2021–22 reporting period.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
16	<p>Water Services Act Section 77(3)</p> <p>OL 16: Clause 4.1.1 OL 17: Clause 4.1.1</p> <p>The licensee must take reasonable steps to minimise the extent or duration of any interruption of water services it is responsible for.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manger Operations Compliance — Manager Operations Delivery — Regional Manager, Great Southern — District Work planner UGS — Team leader LGS Wastewater, Drainage and Forestry — Team leader Civil, Lower Great Southern. <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — PP045 Minimising Water Service Disruption <p>PP045 Minimising Water Services Disruption to Customers summarises the key steps taken to minimise disruption for both planned events and unplanned events. By their very nature planned events are more controlled and are less likely to negatively impact customers. From a customer’s perspective the impact of any disruption is increased or decreased by the time of day the outage occurs and its duration.</p> <p>For unplanned outages the Corporation adopts the following measures:</p> <ul style="list-style-type: none"> — Prioritise fault work as higher than normal operations and maintenance to respond in a timely manner. The Corporation also monitors and reports response time performance. — Document Contingency plans and conduct exercises to test them in order to prepare for these events and ensure they can be as planned as reasonably practicable. 	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> – For major outage events, the Corporation manages them as an incident whereby at their conclusion, reviews the lessons learnt and applies the learnings to processes so that they are better prepared in the future. – During an outage event, the Corporation keeps impacted customers informed. – Fault data are used to assist in decisions made for asset replacement and changes to preventative work priorities. <p>In terms of planned outages:</p> <ul style="list-style-type: none"> – The Corporation endeavours to notify impacted customers as a minimum 48 hours prior to the outage. – Where possible planned work is scheduled to be conducted off-peak to minimise customer impacts. <p>Our inquiries with relevant stakeholders and review of KPI reports indicated that performance on managing the duration of the extent of interruption of water services was being monitored.</p> <p>The Corporation took reasonable steps to minimise the extent or duration of any interruption of water services.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
17	<p>Water Services Act Sections 82(4) & (5)</p> <p>OL 16: Clause 4.1.1 OL 17: Clause 4.1.1</p> <p>If a person must give the licensee notice of any building work to be carried out on land in the operating area of a licence, the licensee must return a copy of the plans and specifications contained in the notice with any written directions about the proposed building work that the licensee considers necessary to ensure the safety and efficacy of the provision of water services provided, or to be provided. The licensee must do this within 7 days of receiving the fee for dealing with the notification.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Senior Advisor Business Management – Support Officer Business Services – Manager Business Management <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – Building Services – Additions Application – Building – Multi-Residential Applications – Building – Mixed Use – Non Residential – Building – Single Residential – Processing Minor Building Applications – PCY311 Service Connections – S388 Building Applications (Major and Minor) – Building and Service Application Procedure – Service Applications and Investigations – PCY362 Building Proposal Notifications <p>Development Services is the business unit responsible for this licence obligation.</p> <p>Under the Water Corporation’s Policy “PCY362 Building Proposal Notifications”, some building work is exempt, and not required to be submitted to the Corporation.</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>For building work that is not exempt, Development Services will return a copy of the plans and specifications contained in the notice with any written directions about the proposed building work that the licensee considers necessary to ensure the safety and efficiency of the provision of water services provided, or to be provided as follows:</p> <ul style="list-style-type: none"> — For applications lodged with site plans attached and email address supplied, BuilderNet will upon payment, automatically email plans with approval conditions attached direct to the applicant same day. Same day will be the day the application is processed, authorised and paid. This will be less than and within seven (7) days. — For applications that include A2 size and larger plans and hard copy minor plans, BuilderNet will automatically email notification of payment to the approving BSO. The BSO will immediately post the plans with approval conditions attached to the applicant on the same day. “Same day” will be the day the application is processed, authorised and paid. This will be less than and within seven (7) days. — For all other hard copy plan applications, a Building Services Officer (BSO) will check for payment on a weekly basis. Once paid, the BSO will immediately post the plans with approval conditions attached to the applicant. This can be by delivery e.g. Australia Post, Courier, or other arrangements as agreed e.g. applicant to collect from offices. <p>We obtained a list of plans returned and randomly selected a sample of 31 for review.</p> <p>From the sample selection, we confirm that the Corporation complies with the requirements of <i>Sections 82(4) & (5) of the Water Services Act 2012.</i></p> <p>Recommendations</p> <p>Not Applicable</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
18	<p>Water Services Act Section 84(2)</p> <p>OL 16: Clause 4.1.1 OL 17: Clause 4.1.1</p> <p>If the licensee has given a notice under section 83(3)(a) of the Act, and the licensee is satisfied that the person given the notice is not going to comply with the notice within a reasonable time, the licensee must give the person 21 days' notice of its intention to commence the works.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Business Management – Development Services — Senior Advisor – Business Management (Compliance) Development Services — Support Officer Business Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Water Compliance Reporting Manual – Development Services (#48800508) — Water Compliance Reporting Manual (WCRM) – ERA Audit Water Services FY 2020-2021 (#122349802) — Water Compliance Reporting Manual (WCRM) – ERA Audit Water Services FY 2021-2022 (#138318326) <p>Through discussions, we understand that the Corporation had no activities under <i>Section 84 (2)</i> (providing a 21-day notice of its intention to commence with the works) as it did not request proponents, applicants or the owner of a land to provide information about water supply, sewerage or drainage works relating to the development or subdivision of land through a notice.</p> <p>Instead, the Corporation uses Section 84 (3) of the Water Services Act 2012, and enters into agreements with the proponents, applicants or the owner of the land prior to the approval of a development or building works. This ensures that the person complies with the necessary development and building requirements.</p> <p>We reviewed the <i>Water Corporation Land Development Agreement</i>, used for the purposes of Section 84 (3), and it states that clearance of each Subdivision Agreement will be subject to all requirements of the Subdivision Agreement for that stage having been satisfied including:</p>	A	NR

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> — All assets required under the general conditions of the agreement have been built. — All assets are protected by way of easements or reserves. — All the requirements necessary to affect the hand-over of works to the Water Corporation, as defined in the Developers Manual, have been successfully completed. — Infrastructure contributions for the lot (or lots) contained in the agreement have been paid. <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
19	<p>Water Services Act Section 87(2)</p> <p>OL 16: Clause 4.1.1 OL 17: Clause 4.1.1</p> <p>If a person makes an application with the State Administrative Tribunal for a review of a decision in respect of the licensee providing additional water services when a person has not responded to the licensee's notice, the licensee cannot provide the works until the application has been finally dealt with, except in limited circumstances.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Manager Business Management – Development Services – Senior Advisor Business Management – Support Officer Business Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – Water Corporation Land Development Agreement – Water Compliance Reporting Manual (WCRM) – ERA Audit Water Services FY 2020-2021 (#122349802) – Water Compliance Reporting Manual (WCRM) – ERA Audit Water Services FY 2021-2022 (#138318326) – Water Compliance Reporting Manual – Development Services – (#48801883) <p><i>Section 87(2)</i> states that a person can make an application with the State Administrative Tribunal for a review of a decision in respect of the licensee providing additional water services when a person has not responded to the licensee's notice.</p> <p>In this regard, the Corporation had no activities as they are only using the agreement process as described in <i>Section 84 (3)</i> of the <i>Water Services Act</i>.</p> <p>In the event that Development Services issues a notice under <i>section 83(3) (a)</i> of the <i>Water Services Act</i>, they will follow the compliance notice process as described in the Corporation's <i>Issuing Compliance Notices</i> work instruction.</p> <p>No issues identified.</p>	NP	NR

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			<p>Recommendations</p> <p>Not Applicable</p>		
20	<p>Water Services Act Section 90(7)</p> <p>OL 16: Clause 4.1.1 OL 17: Clause 4.1.1</p> <p>If the licensee gives a compliance notice to a person who is undertaking construction or carrying out similar works in the vicinity of water service works, the licensee must, to the extent practicable, consult with the owner of the land on which the obstruction is located or the activity is taking place if the person to be given the notice is not the owner of the land.</p>	5	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Asset Performance — Principal Asset Protection — Support Analyst Regulatory Compliance <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Compliance Notice Framework #58585019 — Compliance Notices PowerPoint presentation #62238599 — Operational Asset Management Work Instruction for OAM notices #98924977 — OAM – Compliance Notice for Breach of S90 WSA — Tracking Register for OAM Notices <p>An understanding and arrangement are in place between Operators in Regions, who identify inappropriate activity or outcomes and negotiates an outcome with the offender and/or landowner in the first course of action.</p> <p>Where this fails to resolve the situation, the matter can be escalated to the Head of Operational Asset Management for the issuing of a compliance notice.</p>	NP	NR

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>There was no activity identified in 2020/21 that warranted for issuing a compliance notice under Obligation 20. Also, no activities identified in 2021/22 that warranted for issuing a compliance notice under Obligation 20.</p> <p>The Obligation was transferred to Head of Operational Asset Management in November 2019.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
21	<p>Water Services Act Section 95(3)</p> <p>OL 16: Clause 4.1.1 OL 17: Clause 4.1.1</p> <p>The licensee cannot cut off the supply of water to an occupied dwelling unless the occupier agrees to that.</p>	1	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Senior Advisor Business Management — Officer, Business Services — Specialist Water Services Licence — Manager, Business Management <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Disconnection of Services - Fact Sheet — Meter Relocation - Disconnection application — https://www.watercorporation.com.au/Developing-and-building/Applying-for-services/Existing-water-services/Disconnect-a-service — Work Instruction - CC0061 - Service Water Disconnect <p>Through discussions and review of the Disconnection of water services: Development Services - Fact Sheet, we noted that the Corporation will not</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>disconnect the supply of water to an occupied dwelling. This is also documented on the Corporation's website and the GURU portal and the Work Instruction – Disconnect Water Service. The Corporation have measures in place to prevent the disconnection of water services.</p> <p>We further observed that if the operations team visits a dwelling and it appears to be unoccupied, and they disconnect the water supply and later establish that it is occupied, it will be reported as a breach to the Risk and Assurance team, and thereafter to the ERA.</p> <p>We randomly sampled 49 properties and did not find any exception.</p> <p>Recommendations</p> <p>Not Applicable</p>		
22	<p>Water Services Act Section 96(1)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If the licensee provides water supply reticulation works, or enters into an agreement for the provision of water supply reticulation works, the licensee must install fire hydrants attached to those works in accordance with the requirements of FESA, or the relevant local</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Business Management - Development Services — Senior Advisor Business Management — Support Officer Business Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Developers' Manual (#58545224) — Design Standard DS 63 Water Reticulation Standard (#49549109) — Water Compliance Reporting Manual - Development Services - (#48801923) — Memorandum of Understanding between (DFES) and Water Corporation signed on 7 July 2021 (Nexus: 76005585). <p>The Water Corporation enters into an agreement for the provision of water supply</p>	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>government as to the location and type of hydrant.</p>		<p>reticulation works that include the installation of fire hydrants in accordance with the requirements of FESA, or the relevant local government, as to location and type of hydrant (according to whose district the works are provided in).</p> <p>The water supply reticulation works and hydrants are installed in accordance with:</p> <ul style="list-style-type: none"> — Developers Manual [sections 6.11 Pre-handover inspection; 6.12 Final takeover inspection and 7.1.1 Water as-constructed information requirements], and — Design Standard DS 63 Water Reticulation Standard [2.2.1.5 Appurtenances (b) Hydrants]. — The provision of water supply reticulation works is monitored on the 'development file'. <p>Inspections are carried out by the Corporations Asset Inspector to provide a satisfactory final takeover inspection report assuring the work performed meets the standards established on the Design Standard DS 63 Water Reticulation Standard.</p> <p>Through inquiries with the development services business unit, we identified that water reticulation applications can be submitted online through the Corporation's DeveloperNet system. After receiving the water reticulation application, the Corporation performs a design appraisal, which includes the consideration of the hydrants. Progress on the appraisal process is recorded on DeveloperNet.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		

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23	<p>Water Services Act Section 96(5)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must comply with requests made by FESA or a local government under sections 96(3) and 96(4) of the Act to the extent practicable and within a reasonable time.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Asset Performance — Principal Asset Protection — Support Analyst Regulatory Compliance <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Hydrants Asset Class Strategy (Nexus: 49574421) — Hydrants Performance Report June 2020 (Nexus: 100625041) — Hydrants Performance Report July 2021 (Nexus 118129111) — Hydrants Performance Report June 2022 — Water Corporation S451 Maintenance Standard – Fire Hydrant Valves (Nexus 58582223) — Memorandum of Understanding between (DFES) and Water Corporation signed on 7 July 2021 (Nexus: 76005585). <p>Through our examination of key documents, discussions with key stakeholders, examination of the signed memorandum of understanding (MoU) with the Department of Fire and Emergency Services (DFES) in July 2021, we identified the Operational Asset Management business unit has used out-of-date metrics in the June 2022 report and the KPI has not been met during the period 1 July 2020 to 30 June 2021.</p> <p>The 2020/21 Annual Compliance Report to the ERA identified a potential breach in relation to four (4) low priority requests. Further inquiries revealed that these</p>	A	1

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			<p>four (4) requests were not made by DFES or a local government, therefore does not have an impact on the compliance posture.</p> <p>Recommendations</p> <p>Not Applicable</p>		
24	<p>Water Services Act Section 98(3)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If required to by the Minister, the licensee must connect a wastewater inlet on land to the sewerage works of the licensee.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Senior Advisor – Business Management (Compliance), Development Services — Officer, Business Services — Manager Business Management <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Mintrack Report — Ministerial Liaison Unit (MLU) Media and Government Relations Work Instruction — Process For Minister / CEO Correspondence. <p>Through discussions, we noted that the Corporation had no activity regarding this obligation.</p> <p>Should the matter arise:</p> <ul style="list-style-type: none"> — The Corporation would undertake the activity based on the procedures, terms and conditions of the time and the requirements of the Minister; — Any ‘Ministerial’ written notice requiring the Water Corporation to connect a wastewater inlet on land to the sewerage works of the licensee will typically come <i>via</i> ‘official channels’ (email to the Ministerial Liaison Unit (MLU); and 	NP	NR

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			<p>— Alternatively, a Ministerial enquiry (P1) will be saved on Poems (Priority One Enquiry Management System) and processed and tracked via Mintrack, which is the Corporation’s system that tracks Priority One (P1) correspondence. P1 includes all correspondence addressed to the Corporation’s Minister, CEO or COO.</p> <p>We requested a Mintrack report for the audit period, which produced a zero return from the Minister in requiring the Corporation to connect a wastewater inlet on land to the sewerage works of the Corporation.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
25	<p>Water Services Act Section 106(2)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must include the information specified in a compliance notice given in relation to failure to maintain fittings, fixtures and pipes.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Compliance Manager - Operations Delivery — Regional Manager, Great Southern — District Work planner UGS — Team leader LGS Wastewater, Drainage and Forestry — Team leader Civil, Lower Great Southern. <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Trade Waste WI 5-2-3 How to issue a FOGMan non-compliance notice <p>Through discussions and a review of the <i>How to issue a FOGMan non-compliance notice</i> work instruction, we noted that the use of notices is generally not the first step in a compliance process as the Corporation first uses other</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>means such as customer contact, letters or emails to resolve the issue. If these actions do not resolve the issue, a compliance notice will be issued.</p> <p>The Corporation issues compliance notices and includes the following information on the compliance notice:</p> <ul style="list-style-type: none"> — Which section of the Water Services Act has been breached; — In what way the person has failed to comply; — What the person must do to comply with the notice; and — The time period which the person must comply with the notice. <p>In most cases the initial time period given is 21 days to comply. In circumstances where a secondary non-compliance notice is issued at the expiry of the initial notice, the time period is reduced to 14 days. Copies of issued compliance notices are saved on the Corporation's Midas information system.</p> <p>We obtained a list of Trade Waste compliance notices issued and randomly selected a sample of seven for review.</p> <p>From the sample selection, we confirm that the Corporation complies with the requirements of Section 106 (2) of the <i>Water Services Act 2012</i>.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
26	Water Services Act Section 110(3) OL 16: Clause 4.1.1 OL 17: Clause 4.1.1	5	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Drainage and Liveable Communities — Head of Asset Investment Planning Metro 	NP	NR

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>If required to by the Minister, the licensee must connect a drainage asset on land to the drainage works of the licensee.</p>		<p>Through discussion we noted that during the audit period the Corporation did not receive any requirement by the Minister regarding the connection of a drainage asset on land to the drainage works. They use their existing connection for the drainage works. Also, the Corporation believes that they are not directly responsible for this obligation, and they have not been receiving requests through the Council regarding any work needs to be done in this area.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
27	<p>Water Services Act Section 112(5)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If required by the Minister, the licensee must modify the property drainage connection.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Drainage and Liveable Communities — Head of Asset Investment Planning Metro <p>Through discussion we noted that the Corporation did not receive any request from the Minister to modify the property drainage connection during the audit period.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>	NP	NR

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
28	<p>Water Services Act Section 119(2)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must include the information specified in a compliance notice given in relation to the matters set out in section 119(1).</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Manager Operations Delivery — Senior Advisor Business Management — Officer, Business Services — Manager, Business Management <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Compliance Notice Process Framework <p>Through discussions we noted that there have been no compliance notices issued during the audit period.</p> <p>We have reviewed the document “Compliance Notice Framework” and noted that the policies and procedure/work instructions are in place to support the issuing of compliance notices.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>	NP	NR

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
29	<p>Water Services Act Section 122(2)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If a person makes an application to the State Administrative Tribunal under section 122(1), the licensee cannot take, or continue to take, action against the person except in the circumstances specified.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Head of Legal Services — Manager Legal Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Compliance Notice Process Framework (#58585019) — List of matters referred to the State Administrative Tribunal during the audit period <p>Through discussions with the Corporation's legal team, we identified that they do not take, or continue to take, action against a person after that person referred a matter to the State Administrative Tribunal (SAT). Furthermore, the legal team highlighted that the following business areas have been identified as being responsible for issuing compliance notices:</p> <ul style="list-style-type: none"> — Development Services Business Unit (DSB); — Operations Performance Business Unit (Operations Delivery, Metering Services, Commercial & Industrial Services); — Operational Asset Management; and — Customer Billing & Assurance (Water Use Investigations and Water Use Verifications) <p>It is stated on the compliance notice process framework the Corporation will not take any 'action' until the matter has been finally dealt with by the State Administrative Tribunal (SAT) unless:</p> <ol style="list-style-type: none"> a) the SAT orders otherwise; or 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>b) the responsible Business Unit is satisfied that it is necessary to take action to prevent a discharge of wastewater into water service works of the Corporation that is likely to interfere with or adversely affect those works; or</p> <p>c) the responsible Business Unit is satisfied that a dangerous situation exists and that urgent action is needed in order to assess, reduce or eliminate or avert a risk to persons, property or the environment.</p> <p>According to the compliance notice process framework, before taking any legal action, business units have to notify the Legal Services Business Unit to determine a proper method of enforcement and provide advice to an employee beforehand in advance of legal action with SAT.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
30	<p>Water Services Act Section 125(2)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If the licensee provides a water supply, sewerage or drainage service to 2 or more dwellings on land by a single property connection, the licensee may apportion fees. The</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Team Leader Rating Services — Team Leader Creations and Process Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Creating and Processing New Building and Existing Strata Title Records/58581221 — Creating and Processing Vacant Land Strata Title Records/58530422 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>licensee cannot apportion fees to the extent inconsistent with any agreement related to such a provision of services, or section 66 of the Strata Titles Act 1985.</p>		<ul style="list-style-type: none"> — Classification and Rating Guide/58565167 — Rating Investigation Request/58530367 — Processing Multi Unit Residential Property Records ID#218119. <p>Through discussions with relevant key stakeholders, we identified that where a service is provided to two or more dwellings on land that are metered separately, each dwelling is charged according to its Gross Rental Value (GRV).</p> <p>We also confirmed that, where tenants have not been nominated to receive the accounts and there is only one meter, the charges are not apportioned and are sent to the property owner.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
31	<p>Water Services Act Section 128(4)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If the licensee has previously lodged a memorial with the Registrar, the licensee must lodge a withdrawal of memorial with the Registrar along with the</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Lead Operations <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Withdrawal of Memorials for Deferred Headworks/58530706 — Lodge and Withdraw Memorials Caveats on Properties/58532433 	B	2

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	<p>prescribed fee (if any) if the charge or contribution has been paid.</p>		<ul style="list-style-type: none"> — RITM0691979 - Listing of accounts - Withdrawal of Memorials dated 24 August 2022 — Withdrawal of memorial [REDACTED] <p>We established that the Customer Financial Solutions Officer is responsible for processing the lodgement and withdrawal of memorials.</p> <p>According to report '58530706 Deferred Headworks', a monthly report is generated listing all the properties with memorials where the recovery status has progressed to 'Fully Paid'. This report includes properties with outstanding service or water charges. An Officer goes through each property note in Grange to confirm whether the final amount due was paid and the memorial was withdrawn.</p> <p>The lodgement fee is raised on the customer's account if the account has been paid. Where the withdrawal is to be paid by settlement, the Officer confirms with the settlement agent when and where the settlement will take place and the amount to be paid. The Officer attends the settlement and releases the documents once the account is fully paid.</p> <p>In reviewing the process of withdrawing a memorial, we observed there are different ways in which the memorial is lifted:</p> <ul style="list-style-type: none"> — The Corporation lodges the memorial withdrawal on the customer's behalf in the work instruction, "<i>Lodge and Withdraw Memorials Caveats on Properties Doc ID 58532433</i>"; whereas — The customer or settlement agent lodges the memorial withdrawal on behalf of the customer. In the work instruction, "<i>Withdrawal of Memorials for Deferred Headworks</i>", section 1.1 states that "<i>A request to withdraw a deferred headworks Memorial from the Certificate of Title of a property is initiated by a settlement agent or direct from a customer</i>". 		

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			<p>The latter process appears to be inconsistent with Obligation 31 under the Water Service Act 128(4), which states “<i>the licensee must lodge a withdrawal of memorial with the Registrar</i>”.</p> <p>We sampled a total of ten (10) accounts with fully paid status and a balance of \$0.00.</p> <p>Seven (7) out of 10 accounts had a withdrawal memorial lodged date; and three (3) out of 10 had no data on withdrawal.</p> <p>In our testing, we identified the following:</p> <ul style="list-style-type: none"> — Six accounts had their memorial withdrawn after the payment. — In one account, the memorial withdrawal was performed by the customer. Our enquiry revealed the Corporation sent a letter on 8 November 2021 to a customer stating, “<i>To have the Memorial removed from the Certificate of title, the customer will need to lodge this form with Landgate</i>”. This appears to be inconsistent with the requirement of Obligation 31 under the Water Service Act 128(4), which states “<i>the licensee must lodge a withdrawal of memorial with the Registrar</i>”. <p>The Corporation held the view that it does not believe the intent of the legislation is that the memorial withdrawal form must be sent by the Corporation direct to Landgate, but rather the intent is for the form to be lodged with Landgate by either party. The reason being the memorial withdrawal form cannot be lodged until payment of the debt is received by the Corporation and funds are cleared, which does not happen until after settlement. Therefore, for settlement to proceed on the day as planned, the settlement agent requires the form from the Corporation to be handed over in return for payment of the debt. Following this, the form can then be submitted to Landgate by the settlement agent. The settlement agent will not allow settlement to proceed without receiving the form.</p>		

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			<p>We have assessed the Corporation's point of view and considered a compliance strategy needs to be developed, which involves changing current processes to meet the legislative requirements in current form.</p> <p>Recommendation - Reference No 01/2022</p> <p>We recommend the Corporation re-align its business process to the regulatory requirements by lodging the withdrawal instead of requiring the customer to lodge the withdrawal.</p>		
32	<p>Water Services Act Section 129(5)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If a routine inspection or maintenance is likely to cause disruption to the occupants of a place at least 48 hours' notice of a proposed entry must be given to the occupier of the place unless the occupier agrees otherwise.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Manager Operations Delivery — Regional Manager, Great Southern — District Work planner UGS — Team leader LGS Wastewater, Drainage and Forestry — Team leader Civil, Lower Great Southern <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Procedure for Entry onto Private Property — Guide to entry powers for authorised persons under the Water Services Act 2012 — Training material for Authorised Person - Entry to Property, Team Leaders/Supervisors 	B	1

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			<p>The <i>Procedure for Entry onto Private Property</i> requires operational staff to provide an <i>All Purpose Notice of Entry (NOE) Form</i> to the owner or occupier of a property prior to conducting construction, inspection, routine maintenance or any other work, which is likely to cause disturbance. We identified that a Notice of Entry Letter may also be used to provide 48 hours' notice to the occupier / owner of the property.</p> <p>The NOE form / letter must be served either personally, by leaving it for the owner or occupier at an appropriate place on the property, or by post, so as to be received at the property no less than 48 hours prior to the intended entry.</p> <p>If during the personal service of a notice the owner or occupier consents to immediate entry for the stated purpose, the officer may enter the premises before the usual 48 hours.</p> <p>Where the Corporation entered a place under the Act without having to give notice of proposed entry, operational staff are required to issue a notice in writing, wherever practicable after entering the property, detailing the works carried out and of any further intention the Corporation has in respect of the property, to the owner or occupier. These instances are outlined below:</p> <p>Routine Inspection or maintenance that likely to affect the property;</p> <ul style="list-style-type: none"> — Meter reading; — Owner or Occupier requests; — Investigation of offences; and — Emergency works. <p>The Notification of Entry form is used in the above instances.</p>		

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			<p>The Corporation has had a history of poor compliance with this obligation owing to poor awareness around notifications requirements and evidence not being maintained to demonstrate compliance.</p> <p>The current approach to manage compliance with this obligation is to provide awareness training to Authorised Persons to ensure they are clear on what is expected of them when they enter a private property.</p> <p>Current notifications are normally hand delivered or posted. As such it is difficult to provide evidence that the customer received 48 hours' notice. Enquiries indicated that taking photos is onerous and is not a reliable audit trail as it does not prove the 48-hour requirement was met. The Corporation as part of the Work Management project is currently investigating simple methods of confirming delivery times, such as the use of parent / child work orders and GPS location.</p> <p>The Corporation relies on training as the primary control for Authorised Persons and Compliance Officers. The training also has a refresher requirement to reinforce the steps required – 2 yearly for Authorised Persons and 2 yearly for Compliance Officers. However, we noted that 29 employees had never commenced the training even though the contract was started six months ahead, and in some cases over 24 months as described on Obligation 57 and 49.</p> <p>In summary, the weakness in control is as follows.</p> <ol style="list-style-type: none"> 1. There is no ability to track and establish the delivery of the notice within the regulatory timeframe; and 2. "Training" is an important control to ensure awareness. Our inquiry indicated the training take up rate can be improved. <p>Recommendations</p> <p>Not Applicable</p>		

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33	<p>Water Services Act Section 139(3)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If the licensee removes or erects a fence or gate when exercising a works power conferred by the Act, the licensee must take all reasonable steps to notify the owner before doing so.</p>	5	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader - Best Practice (acting) — Manager Support Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — External Approvals Manual for Engineering Infrastructure; — Possession of site checklist manual; — Flow chart of Water Corporation Major Works procedure; — Community Engagement Guidance; — Process Guideline for Community Engagement & PMB with prerequisites to works — Flow chart of Water Corporation General Works procedure; — Head of Project Management memo authorising General Works to proceed; — Template cover letter regarding the intention to alter a fence; — Template cover letter for owners/occupiers of land to be entered; and — Template cover letter for owners/occupiers that may be affected but not entered. <p>Through discussions, we identified the Project Management Business Unit is responsible for monitoring compliance with Obligation 33. The Corporation's External Approvals Manual for Engineering Infrastructure, under section 2.3, identifies three requirements known as Prerequisites to Work (PtW).</p> <p>The requirements for the three categories of works are:</p>	NP	NR

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			<ul style="list-style-type: none"> — Exempt: <ul style="list-style-type: none"> — No PtW approvals are required nor do the Corporation needs to give or publish notice of works or obtaining the authorisation of the Minister. — Communications with landowners and/or occupiers is still required for the project. — General: <ul style="list-style-type: none"> — Letters and Notice of Proposal sent to adversely affected landowners and/or occupiers, and stakeholders — Publish Notice of Proposal on Water Corporation website and made available for inspection at appropriate offices of Water Corporation. — Ministerial authorisation is only required when objections are received and not resolved. — Resolution of objections and authorisation of works by the Head of Project Management. — Major: <ul style="list-style-type: none"> — Letters and Notice of Proposal sent to adversely affected landowners and/or occupiers, and stakeholders — Publish notice of proposal on Water Corporation website and made available for inspection at appropriate offices of Water Corporation. — Resolution of objections and authorisation of works by Minister. <p>The Head of Project Management is the main stakeholder in charge of reviewing the level of compliance of obligation 33 to provide approval by taking all reasonable steps to notify the owner before the commencement of any work, which might affect direct or indirect the owner or occupier of the land and surround the community by providing notice, in these instances.</p>		

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			<p>The Community Engagement Officer is responsible for issuing written notices to Each project assigned according to the Corporation's <i>External Approvals Manual for Engineering Infrastructure</i> sections 2.4 Template cover regarding the intention to alter a fence. We identified that in all instances, a written notice is provided, followed by direct contact through a phone call to the owner and occupier of the land, and an external approval tracking spreadsheet controls any contact with customers or owners impacted by any constructions.</p> <p>Through enquiries, we noted that there were no instances during the audit period where the Corporation was required to remove or erect a fence.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
34	<p>Water Services Act Section 141(1)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>A person authorised by the licensee may enter a road and exercise a works power of the licensee without consent, notice or warrant unless the exercise of the power involves opening or breaking up the surface</p>	1	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Manager Operations Delivery — Regional Manager, Great Southern — District Work planner UGS — Team leader LGS Wastewater, Drainage and Forestry — Team leader Civil, Lower Great Southern. <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Breaking The Road Surface Notification 	B	2

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	<p>of the road, or would cause a major obstruction of the road or disruption of the traffic, in which case the licensee must give at least 48 hours' notice to the public authority that has control or management of the road.</p>		<p>It is only possible to provide prior notification to the road owner for planned events. When emergency events happen, the Corporation's focus is on the restoration of services (fixing the problem) and public safety.</p> <p>For the purpose of this licence obligation, we have considered the requirements in the context of "planned work".</p> <p>The planned "Break the Road" work refers to activities that, through assessment in the planning phase, have been determined to be likely to cause a break the road event. For planned work, a notice is to be sent via email to the relevant road owner, Local Government Authority (LGA) or Main Roads WA (MRWA) at least 48 hours' prior to work commencing.</p> <p>Copies of planned notifications sent are to be saved in the allocated Nexus Folder as detailed in Section 5 of this document, using the following document naming convention:</p> <p>< PLANNED – Break the Roads Notification – [Insert Location] ></p> <p>In the 2020 Operational Audit, the Auditor had recommended: <i>To improve compliance with regards to planned events, we recommend that the Corporation implement a system control to prevent the creation of a work order unless the 48 hours' notice has been recorded and stored on the system.</i></p> <p>In response to the recommendations, the Water Corporation is progressing the Works Management project (Maximo), which is seen as the system solution to this problem. At this stage, the project has not committed to including the break the roads notification process in the scope of the project. In the interim, Operations Performance continues to provide a monthly performance report in relation to this obligation to Regions, and report non-compliances to Risk and Assurance when requested. These controls are still largely reliant on individuals' knowledge and behaviours.</p>		

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			<p>In the 2020/21 Annual Report to the ERA, the Corporation reported 55 events which the Corporation failed to provide 48 hours prior notice. For the audit scope period, there were 62 instances in total.</p> <p>Recommendation - Reference No 02/2022</p> <p>The recommend that the Corporation:</p> <ul style="list-style-type: none"> — Develop a system generated notification embedding a control to ensure the prescribed timeframe is met; and — Implement a system control in Maximo to prevent work from commencing until the notification has been registered on the system and 48 hours have elapsed since the notice was sent. 		
35	Water Services Act 2012 Section 142	3	The following personnel were interviewed:	A	1
36	OL 16: Clause 4.1.1	3	— Team Leader - Best Practice, Project Management	A	1
37	OL 17: Clause 4.1.1	3	— Project Director Metro – Water Source, Project Management	A	1
	<p>The licensee must comply with sections 143 and 144 of the Act in relation to the proposed major works, and has given any notice required by section 148.</p> <p>Water Services Act 2012 Section 143 (2)</p>		<p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — External Approvals Manual for Engineering Infrastructure — Possession of site checklist manual — Flow chart of Water Corporation Major Works procedure — Community Engagement Guidance — Process Guideline for Community Engagement & PMB with prerequisites to works — Flow chart of Water Corporation General Works procedure — Head of Project Management memo authorising General Works to proceed 		

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	<p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>Before the licensee submits a proposal for the provision of major works to the Minister, the licensee must prepare, publish and make available plans and details of those major works as specified.</p> <p>Water Services Act 2012 Section 143 (3)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must, within 5 days of publishing the plans and details on the licensee's website, give notice setting out the matters prescribed in section 143(4) to the persons and agencies specified.</p>		<ul style="list-style-type: none"> – Major Works Checklist – Prerequisites to Works Quick Reference Guide – Notices of Proposals for Projects https://www.watercorporation.com.au/noticeofproposal – Water Corporation website – External Approvals page – https://watercorporation.sharepoint.com/APDG/AIPR/Pages/External Approvals.aspx – External Approvals Tracking Spreadsheet – Sample documentation <p>Through discussions, we identified that the Project Management Business Unit is responsible for monitoring compliance regarding <i>Sections 142, 143 (2) and 143 (3)</i>.</p> <p>Section 142, Section 143 (2)</p> <p>The Corporation's <i>External Approvals Manual for Engineering Infrastructure</i> states under section 3 clearly outlines the steps to be undertaken by the Project Managers before seeking approval from the Minister by using the Major Works Checklist (#9843283) to ensure all required steps are taken and records of each requirement are kept. Also, section 4.2.1 aligns its procedure to the obligations under the Water Services Act 2012 as the <i>External Approval Manual</i> states that the Water Service Act 2012 also requires the Notice of Proposal of Major Work to be published on Water Corporation's website before submitting to the authorisation from the Minister for Water as a requirement known as the Prerequisites to Works (PtW), which need to be approved and signed beforehand by the Head of Project Management through the memorandum authorising General Works to proceed.</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>We performed a check over the <i>Flow chart of Water Corporation Major Works Procedure</i> and sections 3.2.2.3 and 3.3 of the <i>External Approvals Manual</i> to ensure these documents are in line with the requirements of the Act. No issues were identified through this check.</p> <p>Section 143 (3)</p> <p>The Corporation's <i>External Approvals Manual for Engineering Infrastructure</i> states under section 3.2.2; the Project Manager shall ensure plans of the area to be affected by the proposed Major Works (template letter 3 in the appendix) and an introductory cover letter with details of the works are prepared (template letter 5 in the appendix), both documents together make up the Notice of Proposal prepared by the engineering consultant in a customer-friendly manner.</p> <p>Notwithstanding, the Corporation's <i>External Approvals Manual for Engineering Infrastructure</i> states under section 3.2.3 that within five days of the Notice of Proposal has been published on Water Corporation's website: https://www.watercorporation.com.au/noticeofproposal the Project Manager shall give a Notice and cover letter to the owner and the occupier of any land that will be entered for the purposes of the works or that is, or the use of which is, likely to be adversely affected by the works by using the template Letter 5b, Appendix 1.</p> <p>We performed a check over the <i>Flow chart of Water Corporation Major Works Procedure</i> and sections 3.2.3 of the <i>External Approvals Manual</i> to ensure these documents are in line with the requirements of the Act. No issues were identified through this check.</p> <p>The individual Project Managers are responsible for ensuring all the steps outlined in the <i>Flow chart of the Water Corporation Major Works procedure</i> are completed and that the Prerequisites to Works requirements are met.</p> <p>Nevertheless, we identified that the previous operational audit had found breaches and requested a few recommended actions around Prerequisites to Work (PtW) that were assigned to the Project Management Business Unit to</p>		

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			<p>update and implement its template of Notice of Approval with the following updates/changes to the process & associated documentation:</p> <p>The Major Works Checklist template (N#58837486) has been updated to include the requirement to enter the <u>Date of Publication</u> of when a <i>Notice of Proposal (NoP)</i> has been uploaded to the Water Corporation's website. Please note that publication to the website is only required for Major Works.</p> <p>All NoP letter templates have been updated to include the <i>requirement for an online address where the NoP can be viewed</i>. The change states, ' <i>This work is shown in the attached Notice of Proposal plan, which can also be viewed at <URL – for Major Works ONLY></i>.'</p> <p>The term '<i>...likely to be adversely affected...</i>' is now defined & documented within the PtW Community Engagement Process Guideline (N#49195399).</p> <p>Our testing of the data did not identify any instances of non-compliance.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
38	<p>Water Services Act 2012 Section 144 (3)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must have regard to an objection or submission lodged</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader - Best Practice (acting); — Manager Support Services; and <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — External Approvals Manual for Engineering Infrastructure 	NP	NR

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	within the relevant period.		<ul style="list-style-type: none"> – Possession of site checklist manual – Flow chart of Water Corporation Major Works procedure 		
39	<p>Water Services Act 2012 Section 145 (2)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If the licensee makes alterations to the plans or details referred to in section 143(2), the licensee must give written notice of the alterations to any person who is likely to be adversely affected by those alterations.</p>	4	<ul style="list-style-type: none"> – Community Engagement Guidance – Process Guideline for Community Engagement & PMB with prerequisites to works – Flow chart of Water Corporation General Works procedure – Head of Project Management memo authorising General Works to proceed – Template cover letter regarding the intention to alter a fence – Template cover letter for owners/occupiers of land to be entered – Template cover letter for owners/occupiers that may be affected but not entered – External Approvals Tracking Spreadsheet <p>Through discussions, we identified that the Project Management Business Unit is responsible for monitoring compliance regarding Sections 144 (3) and 145 (2). The Corporation's <i>External Approvals Manual for Engineering Infrastructure</i> states under section 2.3 that exempt, general and major works in which the Corporation must notify certain agencies and the public of proposed works, then obtain authorisation from the Minister for Water as a requirement known as the Prerequisites to Works (PtW), which need to be approved and signed beforehand by the Head of Project Management through the memorandum authorising General Works to proceed.</p> <p>The Project Management Business Unit has developed a <i>Flow chart of the Water Corporation Major Works Procedure</i> providing a detailed summary of the requirements regarding obtaining approval or objection by the owner or occupier of the land and surrounding the community.</p>	NP	NR

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			<p>The flowchart provided shows the process of approving or objecting to any work to be performed by the Corporation, as well as the Corporation's <i>External Approvals Manual for Engineering Infrastructure</i> section 4.2.1 (vi) explains how to lodge objections or submissions (Project Manager contact details) in the cover letter (template at Letter 5, Appendix 1).</p> <p>The Corporation's <i>External Approvals Manual for Engineering Infrastructure</i> sections 3.4 and 4.4.3 state that if the Notice of Proposal is altered, the Project Manager shall give written notice to any person that is likely to be adversely affected by the alterations.</p> <p>There were no activities during the audit period.</p> <p>Recommendations</p> <p>Not Applicable</p>		
40	<p>Water Services Act 2012 Section 147(3)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must comply with a direction given by a Minister in respect of a proposal to provide water service works that are major works under section 143(3).</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader - Best Practice (acting) — Manager Support Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — External Approvals Manual for Engineering Infrastructure — Possession of site checklist manual — Flow chart of Water Corporation Major Works procedure — Community Engagement Guidance — Process Guideline for Community Engagement & PMB with prerequisites to works 	NP	NR

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
41	<p>Water Services Act 2012 Section 147 (4)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If the Minister gives a direction that further notices in relation to the proposed major works be given under section 143(3), the licensee must resubmit the proposal.</p>	4	<ul style="list-style-type: none"> — Flow chart of Water Corporation General Works procedure — Head of Project Management memo authorising General Works to proceed — External Approvals Tracking Spreadsheet <p>The Project Management Business Unit is responsible for monitoring compliance against this obligation. The Corporation's <i>External Approvals Manual for Engineering Infrastructure</i> section 3.6.3 establishes the Project Manager is responsible and has management authority in dealing with the Minister's direction by amend and resubmit the proposal requested. We compared the <i>External Approvals Manual</i> against the requirements of the Act to check for compliance; no exceptions were identified through this check.</p> <p>As outlined in the Corporation's <i>External Approvals Manual for Engineering Infrastructure</i> Section 3.6.1, the Minister has the power with respect to the Major Works proposal by:</p> <ul style="list-style-type: none"> — Directing further notices be given; or — Authorising Major Works to proceed; or — Declining to authorise the proposed Major Works. <p>The Corporation's <i>External Approvals Manual for Engineering Infrastructure</i> addressed the Project Manager as responsible and has management authority in dealing and complying with a direction given by a Minister in respect of a proposal to provide water service works that are major works under section.</p> <p>Additionally, we identified that the Corporation has not received a direction from the Minister as part of the approval process.</p> <p>There were no activities during the audit period.</p>	NP	NR

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			Recommendations Not Applicable		
42	Water Services Act 2012 Section 151(1) OL 16: Clause 4.1.1 OL 17: Clause 4.1.1 A licensee proposing to provide water service works that are general works must prepare plans and details of the proposed works and publish and make them available for inspection.	3	The following personnel were interviewed: <ul style="list-style-type: none"> — Team Leader - Best Practice (acting) — Manager Support Services The following documents were reviewed: <ul style="list-style-type: none"> — External Approvals Manual for Engineering Infrastructure — Possession of site checklist manual — Flow chart of Water Corporation Major Works procedure — Community Engagement Guidance — Process Guideline for Community Engagement & PMB with prerequisites to works — Flow chart of Water Corporation General Works procedure 	A	1
43	Water Services Act 2012 Section 151 (2) OL 16: Clause 4.1.1 OL 17: Clause 4.1.1 The licensee must give a notice of general works setting out the matters referred to in section 151(3) to the	3	<ul style="list-style-type: none"> — Head of Project Management memo authorising General Works to proceed — General works checklist — Notices of Proposals for Projects https://www.watercorporation.com.au/noticeofproposal — Water Corporation website – External Approvals page; https://watercorporation.sharepoint.com/APDG/AIPR/Pages/ExternalApprovals.aspx — External Approvals Tracking Spreadsheet 	A	1

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	<p>persons and agencies specified.</p>		<p>— Sample documentation</p> <p>Through discussions, we identified that the Project Management Business Unit is responsible for monitoring compliance regarding Sections 151 (1) and (2).</p> <p>The Corporation's <i>External Approvals Manual for Engineering Infrastructure</i> states under section 4.2; the Project Manager shall ensure plans of the area to be affected by the proposed General Works (template letter 3 in the appendix) and an introductory cover letter with details of the works are prepared (template letter 5 in the appendix), both documents together make up the Notice of Proposal prepared by the engineering consultant in a customer-friendly manner. The relevant Regional Manager must authorise the notice of proposal before it is published following the (Regional Manager approval template: Letter 4, Appendix 1).</p> <p>Furthermore, for General Works, the Corporation's <i>External Approvals Manual for Engineering Infrastructure</i> section 4.2.1 aligns its procedure to the obligations under the <i>Water Services Act 2012</i> as the External Approval Manual states that the <i>Water Service Act 2012</i> also requires the Notice of Proposal to be published on Water Corporation's website. It highlights the need for engagement with the community by ensuring the Notice of Proposal is published on the Water Corporation's website through the webpage "Notices of Proposals for Water Corporation Projects" https://www.watercorporation.com.au/noticeofproposal, in line with Section 151 of the <i>Water Services Act</i>.</p> <p>We performed a check over the Flow chart of <i>Water Corporation Major Works Procedure</i> and sections 4.2.2.3 of the <i>External Approvals Manual</i> to ensure these documents are in line with the requirements of the Act. No issues were identified through this check.</p> <p>We identified the previous Operational Audit had found breaches and requested a few recommended actions around Prerequisites to Work (PtW) that were assigned</p>		

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			<p>to the Project Management Business Unit to update and implement its template of Notice of Approval, the following updates/changes has been performed to the process & associated documentation:</p> <ul style="list-style-type: none"> — Include an additional step (a box of tasks) on the PtW Manual & specifically the Flowchart stating that “create a project web page within Water Corporation website and upload Notice of Proposal (see 4.2.2.3) Community Engagement Office to assist”. — Updated the Community Engagement PtW Guideline: https://nexus.watercorporation.com.au/otcs/cs.exe/app/nodes/49195399 <p>We tested a sample of 5 general works and determined whether the notice of general work included the following:</p> <ul style="list-style-type: none"> — description of those works; — the area where those are to be located; and — the purposes for which those works are required were included in the notice of general works. <p>No exceptions were identified through the sample testing.</p> <p>Recommendation</p> <p>Not Applicable</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
44	<p>Water Services Act Section 152(3)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must have regard to an objection or submission lodged by the date specified in the notice given under section 151(2).</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader - Best Practice (acting); and — Manager Support Services. <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — External Approvals Manual for Engineering Infrastructure; — Possession of site checklist manual; — Flow chart of Water Corporation Major Works procedure; — Community Engagement Guidance; — Process Guideline for Community Engagement & PMB with prerequisites to works — Flow chart of Water Corporation General Works procedure; — Head of Project Management memo authorising General Works to proceed; and — External Approvals Tracking Spreadsheet. <p>Through discussions, we identified that the Project Management Business Unit is responsible for monitoring compliance regarding obligations 152 (3). The Corporation's <i>External Approvals Manual for Engineering Infrastructure</i> explains under Section 4.3 that the Corporation must consider any objection or submission lodged by that date. The objection or submission may be judged relevant or material to the proposal, as described in 4.1.2.</p>	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>The Project Management Business Unit has developed a <i>Flow chart of the Water Corporation Major Works Procedure</i> providing a detailed summary of the requirements regarding obtaining approval or objection lodged.</p> <p>We performed a check over the <i>Flow chart of Water Corporation General Works Procedure</i> and Sections 4.3.3 of the <i>External Approvals Manual</i> to ensure these documents are in line with the requirements of Sections 152 (3). No issues were identified through this check.</p> <p>There were no objections lodged during the audit scope period in our sample.</p> <p>Recommendations</p> <p>Not Applicable</p>		
45	<p>Water Services Act Section 153(3)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If the licensee makes alteration to those plans or details referred to in section 151, the licensee must give written notice of the alterations to any person who is likely to be adversely affected by those alterations.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader - Best Practice (acting) — Manager Support Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — External Approvals Manual for Engineering Infrastructure — Possession of site checklist manual — Flow chart of Water Corporation Major Works procedure — Community Engagement Guidance — Process Guideline for Community Engagement & PMB with prerequisites to works — Flow chart of Water Corporation General Works procedure 	NP	NR

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> – Head of Project Management memo authorising General Works to proceed – Template cover letter regarding the intention to alter a fence – Template cover letter for owners/occupiers of land to be entered – Template cover letter for owners/occupiers that may be affected but not entered – External Approvals Tracking Spreadsheet <p>Through discussions, we identified that the Project Management Business Unit is responsible for monitoring compliance regarding Section 153(3). The Corporation's <i>External Approvals Manual for Engineering Infrastructure</i> explains under Section 4.4 that If the Notice of Proposal is altered, the Project Manager shall give written notice to any person that is likely to be adversely affected by the alterations.</p> <p>The Project Management Business Unit has developed a <i>Flow chart of the Water Corporation Major Works Procedure</i> providing a detailed summary of the proposal that may be amended by making alterations to the Notice of Proposal.</p> <p>We performed a check over the <i>Flow chart of Water Corporation General Works Procedure</i> and Sections 4.4.3 of the <i>External Approvals Manual</i> to ensure these documents are in line with the requirements of Sections 153(3).</p> <p>There were no activities during the audit period.</p> <p>Recommendations</p> <p>Not Applicable</p>		

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46	<p>Water Services Act Section 166(5)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>On being advised by the Minister that an interest in land is appropriate to the licensee's needs, the licensee is required to acquire the interest.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Lead Property Acquisitions – Manager Property Portfolio <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – PCY023 Real Estate Management – Guideline for Disposing of Freehold Land – Property Acquisitions Private Treaty Freehold Land – Taking Order and Mediation Process 	NP	NR
47	<p>Water Services Act Section 166(6)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>Any costs incurred in taking an interest in land are to be paid by the licensee.</p>	4	<p>Through discussions and a review of the <i>PCY023 Real Estate Management</i> policy, the <i>Property Acquisitions Private Treaty Freehold Land</i> flow chart, and the <i>Taking Order and Mediation Process</i> flow chart, the Corporation follows well-documented processes in the acquiring, leasing, and disposing of land and property. It also documents the circumstances under which employees can purchase (or lease) real estate on behalf of the Corporation. The Corporation's Procurement and Property Business Unit is responsible to acquire, manage and disposal of Land and Property with an emphasis on the Corporation's operational needs, statutory obligations, and strategic direction.</p> <p>Through enquiries, we understand that any costs incurred in taking an interest in land, are paid by the Corporation.</p> <p>A review of the <i>Guideline for Disposing of Freehold Land</i> identified that the Corporation needs to consider the disposal of freehold land only if it is not needed by the Corporation for current operational purposes and/or future operational or business needs.</p>	NP	NR

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>We confirm that the Corporation had no activity during the audit period with regards to these obligations.</p> <p>Recommendation</p> <p>Not Applicable</p>		
48	<p>Water Services Act Section 170</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must not sell an interest in land if the purchaser would hold a parcel of land that did not comply with the minimum lot size and zoning requirements under the Planning and Development Act 2005, unless the Minister permits the licensee to do so.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Property Portfolio <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — PCY023 Real Estate Management — Guideline for Disposing of Freehold Land — Property Acquisitions Private Treaty Freehold Land — Taking Order and Mediation Process — List of disposal lands <p>Through discussions and a review of the <i>PCY023 Real Estate Management</i> policy, the <i>Property Acquisitions Private Treaty Freehold Land</i> flow chart, and the <i>Taking Order and Mediation Process</i> flow chart, the Corporation's Procurement and Property Business Unit is responsible to acquire, manage and disposal of Land and Property with an emphasis on the Corporation's operational needs, statutory obligations, and strategic direction. We also observed that they have guidelines for the disposal of Freehold Land.</p> <p>The Corporation sold an interest in land during the audit period for \$2.9M. The purchaser did not hold a parcel of land that would not comply with the minimum lot size and zoning requirements under the Planning and Development Act 2005.</p>	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Additionally, parcels of land sold were aggregated to existent lots complying with the minimum lot and zoning required to receive approval from the local governments. No exceptions had been identified.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
49	<p>Water Services Act 2012 Section 173 (4)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>In relation to entry to a place for the purposes of doing works, in the circumstances specified the licensee is required to give 48 hours' notice of proposed entry to a place to the occupier or owner, as applicable, unless the occupier or owner agrees otherwise.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Manager Operations Delivery — Regional Manager, Great Southern — District Work planner UGS — Team leader LGS Wastewater, Drainage and Forestry — Team leader Civil, Lower Great Southern. <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Procedure for Entry onto Private Property — Guide to entry powers for authorised persons under the Water Services Act 2012 — Guide to compliance powers for compliance officers under the Water Services Act 2012 — Training material for Authorised Person - Entry to Property, Team Leaders/Supervisors 	B	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>The <i>Procedure for Entry onto Private Property</i> requires operational staff to provide an <i>All Purpose Notice of Entry (NOE) Form</i> to the owner or occupier of a property prior to conducting construction, inspection, routine maintenance or any other work, which is likely to cause disturbance. We identified that a Notice of Entry Letter may also be used to provide 48 hours' notice to the occupier / owner of the property.</p> <p>The NOE form / letter must be served either personally, by leaving it for the owner or occupier at an appropriate place on the property, or by post, so as to be received at the property no less than 48 hours prior to the intended entry.</p> <p>If during the personal service of a notice the owner or occupier consents to immediate entry for the stated purpose, the officer may enter the premises before the usual 48 hours.</p> <p>Where the Corporation entered a place under the Act without having to give notice of proposed entry, operational staff are required to issue a notice in writing, wherever practicable after entering the property, detailing the works carried out and of any further intention the Corporation has in respect of the property, to the owner or occupier. These instances are outlined below:</p> <ul style="list-style-type: none"> — Routine Inspection or maintenance no likely to affect the property — Meter reading — Owner or Occupier requests — Investigation of offences; and — Emergency works. <p>The Notification of Entry form is used in the above instances.</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>The Corporation had a history of poor compliance with this obligation owing to poor awareness around notification requirements and evidence not being maintained to demonstrate compliance.</p> <p>The current approach to manage compliance with this obligation is to provide awareness training to Authorised Persons to ensure they are clear on what is expected of them when they enter a private property.</p> <p>Current notifications are normally hand delivered or posted. As such it is difficult to provide evidence that the customer received 48 hours' notice. Enquiries indicated that taking photos is onerous and is not a reliable audit trail as it does not prove the 48-hour requirement was met. The Corporation as part of the Work Management project is currently investigating simple methods of confirming delivery times, such as the use of parent / child work orders and GPS location.</p> <p>The Corporation relies on training as the primary control for Authorised Persons and Compliance Officers. The training also has a refresher requirement to reinforce the steps required – 2 yearly for Authorised Persons and 2 yearly for Compliance Officers. We noted that 29 employees did not have the training even though they have been with the Corporation for a period.</p> <p>Recommendations</p> <p>Not Applicable</p>		
50	<p>Water Services Act Section 174(1)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>Notice of a proposed entry by the licensee must be in writing and</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Manager Operations Compliance – Manager Operations Delivery – Regional Manager, Great Southern – District Work planner UGS – Team leader LGS Wastewater, Drainage and Forestry 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>must set out the purpose of the entry, including (if applicable) any work proposed to be carried out.</p>		<ul style="list-style-type: none"> – Team leader Civil, Lower Great Southern. <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – Procedure for Entry onto Private Property – Guide to entry powers for authorised persons under the Water Services Act 2012 – Guide to compliance powers for compliance officers under the Water Services Act 2012 – Training material for Authorised Person - Entry to Property, Team Leaders/Supervisors <p>We checked the NOE forms for the purpose of the entry and the proposed work to be carried out as required by <i>section 174(1)</i> of the <i>Water Services Act 2012</i>. Please refer to Obligation 51 for more details. No exceptions were identified through this check.</p> <p>Recommendations</p> <p>Not Applicable</p>		
51	<p>Water Services Act Section 174(3)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>Even if in a particular instance the licensee may enter a place under</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Manager Operations Compliance – Manager Operations Delivery – Regional Manager, Great Southern – District Work planner UGS – Team leader LGS Wastewater, Drainage and Forestry 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>the Act without having to give notice of proposed entry, the licensee must when practicable, and when it will not compromise the reason for entry, give notice of entry to the occupier.</p>		<ul style="list-style-type: none"> – Team leader Civil, Lower Great Southern. <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – Procedure for Entry onto Private Property – Guide to entry powers for authorised persons under the Water Services Act 2012 – Guide to compliance powers for compliance officers under the Water Services Act 2012 – Training material for Authorised Person - Entry to Property, Team Leaders/Supervisors <p>The <i>Procedure for Entry onto Private Property</i> requires operational staff to provide an <i>All Purpose Notice of Entry (NOE) Form</i> to the owner or occupier of a property prior to conducting construction, inspection, routine maintenance or any other work, which is likely to cause disturbance. We identified that a Notice of Entry Letter may also be used to provide 48 hours' notice to the occupier / owner of the property.</p> <p>The NOE form / letter must be served either personally, by leaving it for the owner or occupier at an appropriate place on the property, or by post, so as to be received at the property no less than 48 hours prior to the intended entry.</p> <p>If during the personal service of a notice the owner or occupier consents to immediate entry for the stated purpose, the officer may enter the premises before the usual 48 hours.</p>		

		<p>Where the Corporation entered a place under the Act without having to give notice of proposed entry, operational staff are required to issue a notice in writing, wherever practicable after entering the property, detailing the works carried out and of any further intention the Corporation has in respect of the property, to the owner or occupier. These instances are outlined below:</p> <ul style="list-style-type: none">– Routine Inspection or maintenance no likely to affect the property;– Meter reading;– Owner or Occupier requests;– Investigation of offences; and– Emergency works. <p>The Notification of Entry form is used in the above instances.</p> <p>Emergency work is defined as - a dangerous situation exists; the dangerous situation relates to the Water Corporation's water service works; and urgent action is needed in order to assess, reduce, eliminate or avert a risk to persons, property or the environment.</p> <p>For emergency work and entry for compliance purposes, where no prior notice has been given, the Corporation must, wherever it is practicable after entering the property, issue a notice in writing of the works carried out and provide details of any further intention the Corporation has in respect of the property to the owner or occupier of the affected land. NOE forms used for this purpose.</p> <p>Through the sample check we observed that the notice of entry to the occupier showed the following purposes or reasons:</p> <ul style="list-style-type: none">– Carry out maintenance on your water service– Investigate a water supply problem– Replace your water meter– Attend to your neighbour's water service– Investigate a water quality problem, and– Other (space fileable by the officer).		
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			<p>No exceptions were identified through this check.</p> <p>Recommendations</p> <p>Not Applicable</p>		
52	<p>Water Services Act Section 175(2)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If an occupier is present when the licensee proposes to enter a dwelling, the licensee must perform the prescribed actions before entering the premises.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Manager Operations Delivery — Regional Manager, Great Southern — District Work planner UGS — Team leader LGS Wastewater, Drainage and Forestry — Team leader Civil, Lower Great Southern. <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Procedure for Entry onto Private Property — Guide to entry powers for authorised persons under the Water Services Act 2012 — Guide to compliance powers for compliance officers under the Water Services Act 2012 — Training material for Authorised Person - Entry to Property, Team Leaders/Supervisors. <p>We interviewed the Regional Manager, Great Southern Region and the other stakeholders in Albany to assess their understanding of the requirements of the Act. No exceptions were identified through these interviews.</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Additionally, Section 2.3 of the <i>Guide to entry powers for authorised persons under the Water Services Act 2012</i> and Section 2.4 of the <i>Guide to compliance powers for compliance officers under the Water Services Act 2012</i>, outlines the processes to be carried out by staff when the occupier is present during entry.</p> <p>We performed a check over the guides mentioned above to ensure that they are consistent with the requirements of the Act. Through this check, we identified that neither of the guides explicitly mentioned that the “inspector or compliance officer must produce his or her certificate of authority” (refer to Section 175 (2) (b) of the Act), however, we consider section 175(2) is addressed in another section titled “<i>Rights of the Occupier</i>” of the <i>Guide to entry powers for authorised persons under the Water Services Act 2012 (WA)</i> where the occupier may request the Officer to produce his/her certificate of authority. We therefore consider the relevant regulatory requirements have been addressed.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
53	<p>Water Services Act Section 175(5)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If the licensee enters a dwelling that is unoccupied, the licensee must leave a notice, which includes the prescribed information,</p>	2	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Manager Operations Delivery — Regional Manager, Great Southern — District Work planner UGS — Team leader LGS Wastewater, Drainage and Forestry — Team leader Civil, Lower Great Southern. <p>The following documents were reviewed:</p>	A	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>or a copy of the warrant (as applicable) in a prominent position in the dwelling before leaving the dwelling.</p>		<ul style="list-style-type: none"> – Procedure for Entry onto Private Property – Guide to entry powers for authorised persons under the Water Services Act 2012 – Guide to compliance powers for compliance officers under the Water Services Act 2012 – Training material for Authorised Person - Entry to Property, Team Leaders/Supervisors <p>The Operations Delivery Business Unit is responsible for monitoring this obligation.</p> <p>Through discussions with the process owners, we confirmed that a <i>Notice of Entry</i> Form or a copy of the warrant (where relevant) is left in a prominent position when a dwelling is unoccupied. However, a review of the <i>Notice of Entry</i> Form identified that it does not detail the employee’s full name and official title as required by the Act.</p> <p>We identified that this is a deliberate non-compliance by the Corporation to consider the personal safety of field workers. We note that a crew number is provided instead, which allows the relevant employee to be traced, should any issues arise.</p> <p>Through enquiries made with the Corporation, we identified that the ERA had accepted the Corporation’s position on this breach. In a letter dated 18 December 2015, the ERA stated the following, “<i>the Authority acknowledges that the Corporation’s current policy is a practical solution that both identifies the employee and ensures their safety. Accordingly, the Authority does not require the Corporation to take any further action in relation to this matter.</i>” Therefore, no further recommendation has been raised in this report.</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Furthermore, Section 2.3 of the <i>Guide to entry powers for authorised persons under the Water Services Act 2012</i> and Section 2.4 of the <i>Guide to compliance powers for compliance officers under the Water Services Act 2012</i>, outline the processes to be carried out by staff when the dwelling is unoccupied. We performed a check over the guides mentioned above to ensure that they are consistent with the requirements of the Act. No exceptions were identified through this check.</p> <p>Additionally, we interviewed the Regional Manager, Great Southern Region, and the other stakeholders in Albany to assess their understanding of the requirements of the Act.</p> <p>We noted that the crew identification number is provided on the NOEs that were examined.</p> <p>Recommendations</p> <p>Not Applicable</p>		
54	<p>Water Services Act Section 176(1)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If the licensee has entered a place with or without consent, the licensee must leave the premises as soon as practicable after being notified that the owner or</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Manager Operations Delivery — Regional Manager, Great Southern — District Work planner UGS — Team leader LGS Wastewater, Drainage and Forestry — Team leader Civil, Lower Great Southern. <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Procedure for Entry onto Private Property 	B	NR

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	<p>occupier has refused or withdrawn their consent.</p>		<ul style="list-style-type: none"> — Guide to entry powers for authorised persons under the Water Services Act 2012 — Guide to compliance powers for compliance officers under the Water Services Act 2012 <p>The Operations Delivery Business Unit is responsible for monitoring these obligations.</p> <p>If the licensee has entered a place with or without consent, the licensee must leave the premises as soon as practicable after being notified that the owner or occupier has refused or withdrawn their consent.</p> <p>Through discussion we noted that there are no instances occurred during the audit period. We reviewed the document, "Guide to entry powers for authorised persons under the <i>Water Services Act 2012</i> and <i>Section 2.3</i> and <i>Section 2.4</i> of the Guide, outlines that an authorised person must leave the premises as soon as practicable after being notified of the withdrawal or refusal of consent.</p> <p>The Corporation relies on training as the primary control for Authorised Persons and Compliance Officers. The training also has a refresher requirement to reinforce the steps required – 5 yearly for Authorised Persons and 2 yearly for Compliance Officers. We noted that 29 employees relevant to the process did not have the relevant training.</p> <p>This requirement is also highlighted in relevant supporting documentation such as the NoE Procedure.</p> <p>There were no customer complaints for the region relating to entry to property during the audit period to exercise this obligation.</p> <p>Additionally, we held interviews with relevant personnel in Albany and confirmed their understanding of the requirements of the Act.</p>		

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			<p>This Obligation has been rated “B” because we consider the up take of training requires improvement.</p> <p>Recommendations</p> <p>Not Applicable.</p>		
55	<p>Water Services Act Section 176(3)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must produce their certificate of authority if asked to do so, and must not perform, or continue to perform, a function under the Act if they are not able to do so.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Manager Operations Delivery — Regional Manager, Great Southern — District Work planner UGS — Team leader LGS Wastewater, Drainage and Forestry — Team leader Civil, Lower Great Southern. <p>The following documents were reviewed:</p> <p>Procedure for Entry onto Private Property;</p> <ul style="list-style-type: none"> — Guide to entry powers for authorised persons under the Water Services Act 2012; — Guide to compliance powers for compliance officers under the Water Services Act 2012; — Training material for Authorised Person - Entry to Property, Team Leaders/Supervisors; 	NP	NR
56	<p>Water Services Act Section 176(4)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p>	4	<p>Section 2.4 of the <i>Guide to compliance powers for compliance officers under the Water Services Act 2012</i>, outlines that a compliance officer “must produce his or her certificate of authority if asked to do so, and the compliance officer must not</p>	NP	NR

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>If the licensee enters or proposes to enter a place, and the owner or occupier requests the licensee produce evidence of authority for that entry, then the licensee must leave the place if they are unable to do so unless the owner or occupier agrees otherwise.</p>		<p>perform, or continue to perform, the compliance power if he or she is unable to produce his or her certificate of authority”.</p> <p>Section 2.3 of the <i>Guide to entry powers for authorised persons under the Water Services Act 2012</i> outlines that an authorised person should carry his or her security card when exercising an entry power. If an authorised person is unable to do so, they must leave the place unless the owner or occupier agrees otherwise.</p> <p>Additionally, we interviewed the Regional Manager, Great Southern Region, and the other stakeholders in Albany to assess their understanding of the requirements of the Act.</p> <p>There were no activities during the audit period.</p> <p>Recommendations</p> <p>Not Applicable</p>		
57	<p>Water Services Act Section 181</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee, or a person assisting the licensee, must, as far as is practicable comply with any reasonable request from the owner or occupier intended to limit interference with</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Manager Operations Delivery — Regional Manager, Great Southern — District Work planner UGS — Team leader LGS Wastewater, Drainage and Forestry — Team leader Civil, Lower Great Southern. <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Procedure for Entry onto Private Property 	B	NR

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	the lawful activities of the owner or occupier.		<ul style="list-style-type: none"> — Guide to entry powers for authorised persons under the Water Services Act 2012 — Guide to compliance powers for compliance officers under the Water Services Act 2012 — Training material for Authorised Person - Entry to Property, Team Leaders/Supervisors — Reinstatement Guideline <p>The Operations Delivery Business Unit is responsible for monitoring these obligations. Section 2.3 of the <i>Guide to entry powers for authorised persons under the Water Services Act 2012</i> outlines that an authorised person “exercising an entry power and taking an action for the purposes of that entry power or a person who is assisting such an authorised person must, so far as is practicable, comply with any reasonable request of the owner or occupier concerned intended to limit interference with the lawful activities of the owner or occupier.</p> <p>The Corporation relies on training as the primary control for Authorised Persons and Compliance Officers. The training also has a refresher requirement to reinforce the steps required – 2 yearly for Authorised Persons and 2 yearly for Compliance Officers. We noted that 29 employees did not have the training even though they have been with the Corporation for a period.</p> <p>This requirement is also highlighted in relevant supporting documentation such as the Procedure for Entry onto Private Property.</p> <p>This Obligation has been rated “B” because we consider the up take of training requires improvement.</p>		

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			<p>Recommendations</p> <p>Not Applicable.</p>		
58	<p>Water Services Act Section 186</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If the licensee applies for a warrant, the application must contain the prescribed information.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Manager Operations Delivery — Regional Manager, Great Southern — District Work planner UGS — Team leader LGS Wastewater, Drainage and Forestry — Team leader Civil, Lower Great Southern. <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Guide to entry powers for authorised persons under the Water Services Act 2012 — Guide to compliance powers for compliance officers under the Water Services Act 2012 — Warrant Register — Water Services Act (WSA) Compliance Procedure <p>The Operations Delivery Business Unit is responsible for monitoring the Corporation's compliance against these obligations. We reviewed the Warrant Register held by Legal Services to confirm that no warrants had been issued by the Corporation during our scope period.</p> <p>The processes to be undertaken when applying for a warrant is detailed in the <i>Guide to entry powers for authorised persons under the Water Services Act 2012</i> and <i>Guide to compliance powers for compliance officers under the Water Services</i></p>	NP	NR

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p><i>Act 2012.</i> We compared the guides mentioned above against the requirements of the Act to check for compliance; no exceptions were identified through this check.</p> <p>There were no warrants applied during the scope audit period.</p> <p>Recommendations</p> <p>Not Applicable</p>		
59	<p>Water Services Act Section 187(1) – (3)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If the licensee applies for a warrant to enter, the application must be made in accordance with the procedures specified depending on the location of the applicant and the justice.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Manager Operations Compliance – Manager Operations Delivery – Regional Manager, Great Southern – District Work planner UGS – Team leader LGS Wastewater, Drainage and Forestry – Team leader Civil, Lower Great Southern. <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – Guide to entry powers for authorised persons under the Water Services Act 2012 – Guide to compliance powers for compliance officers under the Water Services Act 2012 – Compliance Procedure – Warrant Register <p>The Operations Delivery Business Unit is responsible for monitoring the Corporation’s compliance against these obligations. We reviewed the Warrant Register held by Legal Services to confirm that no warrants had been issued by</p>	NP	NR

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>the Corporation during our scope period.</p> <p>The processes to be undertaken when applying for a warrant is detailed in the <i>Guide to entry powers for authorised persons under the Water Services Act 2012</i> and <i>Guide to compliance powers for compliance officers under the Water Services Act 2012</i>. We compared the guides mentioned above against the requirements of the Act to check for compliance; no exceptions were identified through this check.</p> <p>There was no activity during the audit period to exercise this obligation.</p> <p>Recommendations</p> <p>Not Applicable</p>		
60	<p>Water Services Act Section 190(4)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>Unless required to give a copy of the warrant, the licensee executing the warrant must produce the warrant for inspection by the occupier of the place concerned on entry (if practicable), and if requested to do so.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Manager Operations Delivery — Regional Manager, Great Southern — District Work planner UGS — Team leader LGS Wastewater, Drainage and Forestry — Team leader Civil, Lower Great Southern. <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Guide to entry powers for authorised persons under the Water Services Act 2012 — Guide to compliance powers for compliance officers under the Water Services Act 2012 — Warrant Register 	NP	NR

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>— Water Services Act (WSA) Compliance Procedure</p> <p>The Operations Delivery Business Unit is responsible for monitoring the Corporation's compliance against these obligations. We reviewed the Warrant Register held by Legal Services to confirm that no warrants had been issued by the Corporation during our scope period.</p> <p>The processes to be undertaken when executing a warrant is detailed in Section 2.9 of the <i>Guide to entry powers for authorised persons under the Water Services Act 2012</i> and Section 2.10 of the <i>Guide to compliance powers for compliance officers under the Water Services Act 2012</i>. We compared the guides mentioned above against the requirements of the Act to check for compliance; no exceptions were identified through this check.</p> <p>Additionally, we interviewed the Regional Manager for Great Southern Region and other relevant stakeholders to assess their understanding of the requirements of the Act. No exceptions were identified through these interviews.</p> <p>There was no activity during the audit period to exercise this obligation.</p> <p>Recommendations</p> <p>Not Applicable</p>		
61	<p>Water Services Act Section 190(5)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>On completing the execution of a warrant the licensee must record</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — District Work planner UGS — Team leader LGS Wastewater, Drainage and Forestry — Regional Manager, Great Southern <p>The following documents were reviewed:</p>	NP	NR

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	the prescribed information on that warrant.		<ul style="list-style-type: none"> — Guide to entry powers for authorised persons under the Water Services Act 2012 — Guide to compliance powers for compliance officers under the Water Services Act 2012 — Warrant Register — Water Services Act (WSA) Compliance Procedure <p>The Operations Delivery Business Unit is responsible for monitoring the Corporation's compliance against these obligations. We reviewed the Warrant Register held by Legal Services to confirm that no warrants had been issued by the Corporation during our scope period.</p> <p>The processes to be undertaken when executing a warrant is detailed in Section 2.9 of the <i>Guide to entry powers for authorised persons under the Water Services Act 2012</i> and Section 2.10 of the <i>Guide to compliance powers for compliance officers under the Water Services Act 2012</i>. We compared the guides mentioned above against the requirements of the Act to check for compliance; no exceptions were identified through this check.</p> <p>Additionally, we interviewed the Regional Manager for Great Southern Region and other relevant stakeholders to assess their understanding of the requirements of the Act. No exceptions were identified through these interviews.</p> <p>There was no activity during the audit period to exercise this obligation.</p> <p>Recommendations</p> <p>Not Applicable</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
62	<p>Water Services Act Section 210(5)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If the licensee designates a person as an inspector or compliance officer, the licensee must give that person a certificate of authority that includes certain prescribed information.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Manager Operations Delivery — Regional Manager, Great Southern — District Work planner UGS — Team leader LGS Wastewater, Drainage and Forestry — Team leader Civil, Lower Great Southern. <p>The following document was reviewed:</p> <ul style="list-style-type: none"> — Certificate of Authority samples selected for testing <p>We obtained a sample of 20 certificates of authority to check that it included the following:</p> <ul style="list-style-type: none"> — A recent passport-size photograph of the person; and — The person’s name; and — A statement to the effect that the person is an inspector or compliance officer for the purposes of this Act; and — Provisions under which the inspector or compliance officer may exercise powers; and — Any limitations or restrictions that apply to the exercise of the powers of the inspector or compliance officer; and — Expiry date of the certificate. <p>No exceptions were identified through sample-based testing.</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Recommendations</p> <p>Not Applicable</p>		
63	<p>Water Services Act Section 218(2)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>In the exercise or purported exercise of a power under the Act, the licensee must ensure that, to the extent practicable, the free use of any place is not and that as little damage, harm or obstructed, inconvenience is caused as is possible.</p>	5	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Manager Operations Compliance – Manager Operations Delivery – Regional Manager, Great Southern – District Work planner UGS – Team leader LGS Wastewater, Drainage and Forestry – Team leader Civil, Lower Great Southern. <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – Procedure for Entry onto Private Property – Guide to entry powers for authorised persons under the Water Services Act 201 – Guide to compliance powers for compliance officers under the Water Services Act 2012 – Training material for Authorised Person - Entry to Property, Team Leaders/Supervisors <p>As required by <i>Section 218(2) of the Act</i>, <i>Section 2.3 of the Guide to entry powers for authorised persons under the Water Services Act 2012</i> outlines that, “in the exercise or purported exercise of an entry power or other power under the <i>Water Services Act</i>, the Corporation (including an authorised person) is to ensure, to the extent practicable, that:</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> — The free use of any place is not obstructed; and — As little harm or inconvenience is caused, and as little damage is done as is possible.” <p>We identified that field staff are provided training on worksite set up. Discussions with Manager – Operations Analytics & Support, Operations Performance Business Unit, also noted that quality assurance checks are performed on a random basis by Team Leaders and Supervisors to ensure worksites are set up appropriately. Furthermore, we identified that customer surveys are sent out following the completion of works.</p> <p>In addition, we interviewed the Regional Manager, Great Southern Region and other relevant stakeholders to assess his understanding of the requirements of the Act. No exceptions were identified through this interview.</p> <p>Recommendations</p> <p>Not Applicable</p>		
64	<p>Water Services Act Section 218(3)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If the licensee does any physical damage in the exercise of a works power or a power of entry, the licensee must ensure that the damage is made good and pay compensation to the</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Manager Operations Delivery — Regional Manager, Great Southern — District Work planner UGS — Team leader LGS Wastewater, Drainage and Forestry — Team leader Civil, Lower Great Southern. <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Procedure for Entry onto Private Property 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>extent that it is not practicable to make good the damage.</p>		<ul style="list-style-type: none"> — Guide to entry powers for authorised persons under the Water Services Act 2012 — Guide to compliance powers for compliance officers under the Water Services Act 2012 — Training material for Authorised Person - Entry to Property, Team Leaders/Supervisors — Reinstatement Guideline <p>As required by Section 218(3) of the Act, Section 2.3 of the <i>Guide to entry powers for authorised persons under the Water Services Act 2012</i> outlines that, “if any physical damage is done to any place or other thing in the exercise or purported exercise of a works power or entry power, by or on behalf of the Water Corporation (including an authorised person), the Water Corporation must:</p> <ul style="list-style-type: none"> — Ensure that the damage is made good, to the extent that it is practicable to do so; and — To the extent that it is not practicable to do so, pay compensation to the person suffering loss from the damage.” <p>Instruction on how reinstatements are to be carried out are outlined in the Reinstatement Guidelines and provides high level guidance on how to ensure damage is made good. The ex-gratia payment process describes the steps to be taken when payment of compensation is required, and the ex-gratia payment register provides evidence of ex-gratia payments made.</p> <p>We were provided with examples of ex-gratia payments made to customers where the damage was not able to be made good. Additionally, we interviewed the Regional Manager, Great Southern Region and other relevant stakeholders to assess their understanding of the requirements of the Act. No exceptions were identified through this interview.</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Recommendations</p> <p>Not Applicable</p>		
65	<p>Water Services Regulations 2013 Regulation 23(2)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If the licensee provides a water supply service in respect of a multi-unit development, the licensee must, on the request of the owner or the strata company, assess whether a sub-meter is satisfactory for measuring the quantity or flow of water passing through a pipe supplying water to the unit.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Senior Advisor Business Management — Officer, Business Services — Manager, Business Management <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Process Customer Requested Meter Test Application - Laboratory Testing #58533144 — S309 Testing of Water Meters #58489383 — S384 Metering of Multi-Unit Properties #58573861 — Multi-Metering Application #48560075 — Sub Meter Application #58528509 — Guide for sub-metering options for residential developments (Fact Sheet) #58575794 — Building Services - Takeover Inspection - Multi Unit [Metering Services] #49509974 — Water Compliance Reporting Manual Water Services Act 2012 October 2021 — Water Compliance Reporting Manual Water Services Act 2012 March 2021 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Through discussions with the key stakeholders, procedure and work instruction and Water Compliance Reporting Manuals, we observed that the Corporation had been required to comply with regulation 23(2) until 1 July 2021. Therefore, our Operational Audit procedures had been limited by the specified date.</p> <p>We reviewed the application forms, checklists, policies, and work instructions relating to meters in multi-unit developments and confirmed the relevant processes with relevant personnel.</p> <p>We confirmed that, once the strata body or owner applies for water service provided by the Corporation, the existing sub-meters are replaced by new meters as soon as the application is approved by the Corporation's Building Services unit.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
66	<p>Water Services Regulations 2013</p> <p>Regulation 24(4)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If the licensee gives a compliance notice to a person in respect of access to meters, the notice must specify the specified information.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Manager Metering Services — Specialist Water Services Licence <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Issuing Compliance Notices — Compliance Notice Process Framework <p>Through discussions and a review of the <i>Issue Compliance Notice</i> work instruction, we noted that an Authorised Officer may issue a compliance notice</p>	NP	NR

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>when a meter is obstructed, and the meter readers are unable to access the meter without potentially compromising their safety.</p> <p>A compliance notice was not issued during the scope period. Accordingly, there was no activity to assess this obligation.</p> <p>Recommendations</p> <p>Not Applicable</p>		
67	<p>Water Services Regulations 2013 Regulation 26(3)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If the owner or occupier requests the licensee to test a meter and pays the charge (if any) for testing that type of meter, the licensee must test the meter in accordance with a procedure approved by the CEO for the purpose of this regulation.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Head of Engineering — Team Leader-Workshop & Stores <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Customer Dispute Meter Test (Work Instruction No: AMSI-W-128) — AMSI-P-120 Meter Testing and Reporting (58673979) — AMSI-P-004 Authority to maintain documentation for testing water meters (44578926) <p>Regulation 26(3) prescribes that if the owner or occupier requests the licensee to test a meter and pays the relevant charge, the licensee must test the meter in accordance with a procedure approved by the CEO.</p> <p>This obligation was rated non-compliant during the 2020 Operational Audit however, no recommendations were made as the non-compliance was resolved during the audit period.</p> <p>In the 2020 Operational Audit, the Auditor stated that:</p>	B	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>“... We confirm that the Corporation test meters in accordance with the procedures and standards approved by the CEO...”</p> <p>The Corporation has asserted that <i>S072 Financial and Legal Authorisations</i> has been updated to allow the Head of Engineering to be authorised to approve meter testing procedures, under the Water Services Regulations 2013 (s26(3)).</p> <p>We consider this regulation to be prescriptive in its requirement for the CEO to approve the procedure. For the purpose of this obligation, there does not appear to be any discretion for approval of the procedure to be delegated by the CEO and then further sub-delegated. Our analysis indicates there are no other obligations that require a procedure or policy to be approved by a specified position.</p> <p>Analysis of the document governance elements identifies the:</p> <ul style="list-style-type: none"> — Customer Dispute Meter Test (Work Instruction No: AMSI-W-128) procedure was approved by the Document Coordinator on 10 June 2019. There was no evidence of approval by the Head of Engineering or the CEO. — <i>AMSI-P-120 Meter Testing And Reporting (58673979) procedure</i> was approved the by Document Coordinator on 17 March 2022. There was no evidence of approval by the Head of Engineering or the CEO. — Therefore, if the alternative position was accepted, such that the CEO could delegate the approval to the Head of Engineering pursuant to <i>S072 Financial and Legal Authorisations</i>, the Corporation would not be compliant because the procedure was not approved by the Head of Engineering. <p>We consider the licence obligation imposes a requirement on a specific position of the Corporation “for the purpose of this regulation”, which cannot be delegated and further sub-delegated.</p> <p>Recommendation - Reference No 03/2022</p> <p>We recommend the Corporation review the following documents to reflect the requirement of Regulation 26(3), where the CEO must approve the procedure:</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> – Asset Monitoring & Systems Investigations AMSI–P–120 Meter Testing and Reporting. – Asset Monitoring & System Investigations AMSI-P-004 Authority to maintain documentation for testing water meters. – Asset Monitoring & System Investigations AMSI-W-128 Customer Dispute Meter Test. 		
68	<p>Water Services Regulations 2013 Regulation 26(5)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If a meter test finds that the meter is outside the prescribed tolerance applicable, the licensee must take the specified actions, bear the costs of testing and refund or credit any charges paid under regulation 26(3).</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Team Leader Policy & Compliance – Specialist Customer Assurance <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – Process Customer Requested Meter Test Application – S309 Testing of Water Meters <p>The quantity of water shown by the index or register of a water meter is taken prima facie, to be the quantity of water that has actually been supplied and passed through the meter. Only Customer Billing Services personnel may make the offer of a meter test.</p> <p>The Corporation may at any time, or where requested by the customer, who is responsible for the water use account, perform a test on a meter to determine its accuracy.</p> <p>The Corporation requires that meters have a tested accuracy compliant with <i>Australian Standard 3565.1-2004 – Meters for Water Supply – Cold Water Meters Section 3.9 (b)</i>. Manufacturers test the meters to meet this standard and the</p>	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Corporation sample tests the meters as they are procured for use. Meters generally run slower over time.</p> <p>All meters are tested at the Corporation’s Meter Testing Laboratory.</p> <p>Written application can be made on the Corporation’s “Application for Meter Test” form and forwarded with the payment of the prescribed deposit / fee within 7 working days from the date of the Corporation’s letter of offer. The meter test is to be conducted within 10 working days of receiving the prescribed fee and request, or at a mutually agreed day or time.</p> <p>If, upon testing, the meter registers a discrepancy of 5% or more:</p> <p>Slow or fast –</p> <ul style="list-style-type: none"> – the meter is to be treated as out of order – the meter is to be replaced, and – the Corporation shall bear the cost of the meter test. – the water use for the disputed period may be estimated on previous or current water use, or the new meter’s water use, as appropriate – if there has been no previous reading at the property that is lower than the disputed water use, an estimate may be applied. <p>If, upon testing, the meter registers a discrepancy of 5% or less:</p> <p>Slow or fast –</p> <ul style="list-style-type: none"> – the reading will stand, and – the customer shall bear the cost of the test. <p>Fast, the Corporation <i>may</i>, where the customer continues to dispute the account, reduce the water usage by the percentage that the meter was found to be</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>registering fast. The discretion to be able to make this adjustment lies with the Team Leader, Water Use Investigations.</p> <p>No issues identified.</p> <p>Recommendation</p> <p>Not Applicable</p>		
69	<p>Water Services Regulations 2013 Regulation 29(1)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must, on the written request of a developer who is required to pay the licensee an infrastructure contribution in respect of a subdivided lot, defer the payment of the contribution unless regulations 29(3) or 29(4) applies.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager – Business Management, Development Services — Senior Advisor – Business Management (Compliance), Development Services — Support Officer Business Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — PCY329 Service Land #58563497 — Water Compliance Reporting Manual - Development Services ID#48803331 — Infrastructure contributions Deferral for residential subdivisions ID#58557198 — Infrastructure Contributions – Applications #58582561 — E Plans and Plumbing Plan (flimsy) requests work instructions ID#9654035 <p>We confirmed that Development Services is responsible for Obligation 69.</p> <p>As per the <i>Water Service Regulation 29</i>, the Corporation allows for the deferral of infrastructure contributions in respect of a subdivided lot, unless it is satisfied that the developer has on one or more previous occasions been allowed to defer payment but did not pay the contribution in full when due or did not comply with an agreement about the deferral of the contribution.</p>	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>The process for deferring infrastructure contributions is documented in the Infrastructure Contributions – Applications, which we inspected. The process is initiated when a developer applies, in writing, for the deferral. The Corporation will allow the applicant to defer infrastructure contributions if the applicant agrees to entering into an agreement and meets the required eligibility criteria. Once the applicant is approved, a memorial is lodged over the subject land.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
70	<p>Water Services Regulations 2013 Regulation 42(2)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The written order requiring the owner or occupier of land to install a backflow prevention device must set out the date by which the device must be installed and tested (which must be at least 7 days after the day on which the order is given to the owner or occupier).</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Manager Commercial and Industrial Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Backflow Prevention Device Order Template — Backflow Prevention - Managing backflow Prevention Non-Compliance Template — Backflow Prevention: How to issue a non-compliance Backflow Prevention Notice Work Instruction — Backflow Prevention Notice of Non- compliance Template <p>The Operations Delivery Business Unit is responsible for monitoring the Corporation's compliance against this obligation.</p>	A	NR

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
71	<p>Water Services Regulations 2013 Regulation 43(3)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The compliance notice given by the licensee to the owner or occupier of land must specify that the backflow prevention device be tested or maintained in accordance with the standard and the date by which the testing or maintenance is required to be done (which must be at least 7 days after the day the notice is given to the owner or occupier).</p>	3	<p>We obtained the <i>Backflow Prevention Device Order Template</i> and confirmed that it does sets out the date by which the backflow prevention device must be installed and tested.</p> <p>We identified that no written orders have been issued during the scope period under Regulation 42(2). Therefore, there was no activity during the audit period to exercise this obligation.</p> <p>We identified that no written orders have been issued during the scope period under Regulations 43(3) and 43 (6). Therefore, there was no activity during the audit period to exercise this obligation.</p> <p>Recommendation</p> <p>Not Applicable</p>	A	NR
72	<p>Water Services Regulations 2013 Regulation 43(6)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Manager Commercial and Industrial Services <p>The following documents were reviewed:</p>	A	NR

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>The compliance notice requiring the owner or occupier of land to have their backflow prevention device made good as specified in the notice must include the work that is required to be done, the manner in which the work is to be done and the date by which the work is to be done (which must be at least 7 days after the day the notice is given to the owner or occupier).</p>		<ul style="list-style-type: none"> – Backflow Prevention Device Order Template – Backflow Prevention - Managing backflow Prevention Non-Compliance Template – Backflow Prevention: How to issue a non-compliance Backflow Prevention Notice Work Instruction – Backflow Prevention Notice of Non- compliance Template <p>We obtained the <i>Backflow Prevention Notice of Non-Compliance Template</i> and confirmed that it contains the following:</p> <ul style="list-style-type: none"> – That the device must be tested or maintained in accordance with the standard; – The date by the testing or maintenance is required to be done; – The work that is required to be done to ensure the device is made good as specified in the notice; – The manner in which the work is to be done; and – The date by which the work is required to be done. <p>No exceptions were identified through this check. Additionally, we note that the <i>How to issue a non-compliance Backflow Prevention Notice Work Instruction</i> provides further guidance on the processes to be followed when issuing a compliance notice to the customer.</p> <p>During the audit period, there were no instances of the Corporation issuing a compliance notice requiring the owner or occupier of land to have their backflow prevention device made good as specified in the notice.</p> <p>Recommendation</p> <p>Not Applicable</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
73	Not used				
74	<p>Water Services Regulations 2013 Regulation 60(2)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If the licensee proposes to exercise a works power in a road and considers that it is necessary to alter the position of infrastructure, the licensee must notify the person who is responsible for the infrastructure and may request that the person make the alterations within the time specified in the notice.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader – Best Practice (Acting) — Manager Support Service <p>The following documents were reviewed: =</p> <ul style="list-style-type: none"> — External Approvals Manual for Engineering Infrastructure — Possession of site checklist manual — Flow chart of Water Corporation Major Works procedure — Community Engagement Guidance — Process Guideline for Community Engagement & PMB with prerequisites to works — Flow chart of Water Corporation General Works procedure; — Head of Project Management memo authorising General Works to proceed — General and Major works checklist — Notices of Proposals for Projects https://www.watercorporation.com.au/noticeofproposal — Template Cover Letter regarding Intention to Access Roads — Water Corporation website – External Approvals page; — https://watercorporation.sharepoint.com/APDG/AIPR/Pages/ExternalApprovals.aspx 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Through discussions, we establish that the Project Management Business Unit is responsible for monitoring compliance with regulation 60(2).</p> <p>The Corporation's <i>External Approvals Manual for Engineering Infrastructure</i> states under section 2.5.2 that where it is necessary to alter the position of service infrastructure including pipes, wires or other fittings that are laid on, in, over or under a street and are owned or managed by another organisation.</p> <p>Furthermore, the Corporation's <i>External Approvals Manual for Engineering Infrastructure</i> aligns its procedure to the regulation by clarifying that the Corporation must notify the responsible organisation and may request them to alter the infrastructure within the time specified in the notice, and:</p> <ul style="list-style-type: none"> a) if the responsible organisation complies with the request within the time specified or any agreed extension of time, expenses will be repayable by Water Corporation; but b) if the request is not complied with within the time specified, Water Corporation can arrange for the alterations to be carried out as required by someone else, at its own cost. <p>The Project Manager oversees the issue and notices the responsible organisation affected by the proposed Works through a cover letter regarding the intention to access roads (PTW - template letter 2 in the appendix - 49578211) in the Corporation's <i>External Approvals Manual for Engineering Infrastructure</i> containing a briefly describe works as in Notice of Proposal description, which includes additional requirements for consultation with road authorities detailed in the Prerequisites to Works Appendix 2 Manual part 2.5 and in the Utility Providers Code of Practice section 15.1.1 <i>Statutory 'Control of Access' roads</i>.</p> <p>We reviewed the notices in relation to the following projects:</p> <ul style="list-style-type: none"> — <u>CW01194</u> - Ellenbrook DN500 Lord & Park Sts 		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> – <u>CS02964</u> - Jandakot Clementine Blvd M&E Pm Bs&Ms – <u>CS02955</u> - Gnangara Gravity Fed Sewer <p>Through sample testing, we noted that the Corporation notified the responsible person for the infrastructure and requested to notify the Corporation if your organisation has plans in the area which may be affected by this Notice of Proposal. No exceptions were identified through this check.</p> <p>Recommendation</p> <p>Not Applicable</p>		
75	<p>Water Services Regulations 2013 Regulation 63</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If the licensee opens or breaks up the surface of a road, the licensee must complete the relevant work and reinstate and make good the road, and must take all reasonable measures to prevent that part of the road from being hazardous.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Manager Operations Compliance – Manager Operations Delivery – Regional Manager, Great Southern – District Work planner UGS – Team leader LGS Wastewater, Drainage and Forestry – Team leader Civil, Lower Great Southern. <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – Reinstatement Guideline – Restoration and Reinstatement Specification for Local Governments in WA (2002) – Utility Providers Code of Conduct for Western Australia – Reinstatement spreadsheet maintained by each District 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>We establish through discussions that the Operation Performance Business Unit is responsible for monitoring compliance with regulation 63.</p> <p>Through discussions with key stakeholders, examination of key documents, and reinstatement guidelines, we observed that the Corporation had improved its process relating to the capturing of evidence of reinstatements, including completions, as per the previous audit recommendations. The level of evidence and control effectiveness improved by commencing a process of mapping the reinstatement process as follows:</p> <ul style="list-style-type: none"> — reinstatement quality specified in the contract or job (minimum standard to comply with Public Utility Providers Code), visual inspection of the reinstatement, photos of the reinstatement attached to the work order, and close-out of the work order. — Temporary reinstatement – daily inspection of the condition of the temporary reinstatement, and a daily photo attached to the work order. <p>During the audit period, we observed that 143 works related to open or break up the surface of a road had been performed.</p> <p>No exceptions were identified through this check.</p> <p>Recommendations</p> <p>Not Applicable</p>		
76	<p>Water Services Regulations 2013 Regulations 65(1)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Principal – Policy and Compliance, Customer Billing and Assurance. <p>The following documents were reviewed:</p>	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	The licensee must maintain records for all land in respect of which water service charges apply.		<ul style="list-style-type: none"> – PCY320 Maintain Property Records (PCY320); – PCY319 Maintain Customer Records; – Call Centre Security Policy Guidelines; and – Corporation's website. 		
77	<p>Water Services Regulations 2013 Regulations 65(2)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The records for all land in respect of which water service charges apply must contain the prescribed information.</p>	4	<p>Customer Billing and Operations Contact Centre are the business areas responsible for maintaining records for all land in respect of which water charges apply. We identified that the Corporation uses GRANGE (Customer Management System) to store and maintain all property and customer information, with access being restricted to staff members in Customer Billing and Operations Contact Centre.</p> <p>As outlined in PCY320, records are maintained in response to advice from the customer, builder, approved contractor, Local Government, State Government statutory authorities, internal service files or through a physical inspection of the property.</p> <p>We observed a screenshot from GRANGE to confirm that the system records the following:</p> <ul style="list-style-type: none"> – Description and situation of the land; – Name and address of the owner of the land; – Account number (if any); – Gross rental value, the unimproved value or the area of the land (if applicable); – Classification of the land; and – Unpaid charges; and – Any other information that the Corporation 	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Grange access, only the billing team has access to make changes to the group of billing charges, customer services have no access to change it.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
78	<p>Water Services Regulations 2013 Regulation 65(4)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>Unless regulation 65(5) applies, the licensee must make the records for all land in respect of which water service charges apply available for inspection by any person without charge, and give a copy of particular records to a person with a material interest in them, on payment of the prescribed charge, if any, for giving a copy of the records.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Manager Capability (Acting) <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — The Corporation letter on 18 April 2019 — Corporation's website, Property search link — My Account - Login (watercorporation.com.au) — Corporation's website, My water link — My Water - Property search — Regulation amended on 4 December 2020 Government Gazette — Gg2020_199 (legislation.wa.gov.au) — Regulation amended on 18 June 2021 — Gazette 106 of 2021 (legislation.wa.gov.au) — Call Centre Security Policy Guidelines 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Customer Billing and Operations Contact Centre are the business areas responsible for maintaining records for all land in respect of which water charges apply.</p> <p>My Water site was updated in 2019 with the proposed solution statement to meet Regulation 65. The Corporation website link https://mywater.com.au/css-web-external/pub/propertySearch was amended and a paragraph was included at the bottom of the webpage stating that <i>Water Corporation maintains records for all land including the name and address of the owner of the land, the account number, charges and unpaid charges. Please call 131385 to make an appointment to inspect these records.</i></p> <p>On 4 December 2020 regulation 65 was amended. The amendment inserted the following:</p> <p><i>“(5) The licensee must not make a record relating to a customer available for inspection by a person under subregulation (4), or give a copy of a particular record relating to the customer to a person under subregulation (4), if doing so would disclose information that the customer has requested be kept confidential because the customer believes that disclosure of the information could increase the risk of family violence to the customer or a person associated with the customer.</i></p> <p><i>(6) Sub-regulation (5) does not apply if the customer consents to the information being disclosed to the person.”</i></p> <p>On 18 June 2021 regulation 65 was amended again. The following amendment has been made:</p> <p>(1) Delete regulation 65(4)(b) and insert:</p> <p><i>(b) give a copy of particular records to a person with a material interest in them, on payment of the charge (if any) for giving a copy of the records.</i></p>		

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			<p>(2) After regulation 65(4) insert:</p> <p><i>(4A) The charge referred to in sub-regulation (4)(b) is, if the licensee is the Water Corporation, the charge set out in the Water Services (Water Corporations Charges) Regulations 2014 Schedule 7 item 15.</i></p> <p>In summary, the Corporation’s website “My Water” notifies the public (i.e., any person) of the process to follow if they wish to access and inspect Water Corporation records as My Water property search tool website provides only the following details:</p> <ul style="list-style-type: none"> — Address — Type of client (Business, home unit, etc.) — Lot size: — Services (Available and/or connected) — Water — Sewerage — Drainage — Number of connected water meters — Meter Number — Meter location at the property <p>Records for all containing all details are available only through an in-person request by calling 13 13 85 and making an appointment to inspect these records at the Corporation’s Balcatta office. We identified that staff perform identity checks before making information available to customers.</p> <p>No issues identified.</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Recommendation</p> <p>Not Applicable</p>		
78A	<p>Water Services Regulations 2013 Regulation 65(5) and (6)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>Unless a customer gives their consent under regulation 65(6), the licensee must not make a record relating to a customer available for inspection by a person, or give a copy of a particular record relating to the customer to a person, if doing so would disclose information that the customer has requested be kept confidential because the customer believes that disclosure could increase the risk of family violence to the</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Lead Financial Support <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — The Corporation letter on 18 April 2019 (#73459699) — Corporation's website, Property search link — My Account - Login (watercorporation.com.au) — Corporation's website, My water link — My Water - Property search — Regulation amended on 4 December 2020 Government Gazette — Gg2020_199 (legislation.wa.gov.au) — PCY395 family Violence Policy — Family and Domestic Violence - Guru Open Access (livepro.com.au) — Family Violence - Financial Support Work Instruction Tier 3/116561107 — Family Violence Register – Inspecting Records; and — Call Centre Security Policy Guidelines. 	A	NR

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	customer or an associated person.		<p>Customer Billing and Operations Contact Centre are the business areas responsible for maintaining records for all land in respect of which water charges apply.</p> <p>Records for all land in respect of which water charges apply are made available to customers via My Water without the name of the owner of the land and account number even though you must provide the account number to access it through the Corporation's website.</p> <p>Records containing all details are available only through an in-person request by calling 131385 and making an appointment to inspect these records at the Corporation's Balcatta office. We identified that staff perform identity checks before making information available to customers.</p> <p>Customer Management System called GRANGE stores and maintains all property and customer information.</p> <p>Financial Care Team in CFS (Tier 3 consultants) are trained in all matters relating to customer contacts of those customers impacted by Family Violence. Only FC Tier 3 team have access to confidential conversations which are recorded in Nexus with limited security access.</p> <p>Customer Service & Ops Centre CXC's (Tier 2) – Receive online training & instructions on how to manage these customers and are located in the online knowledge management system GURU; they are required to transfer all calls, regardless of the caller's relationship to the account, or the nature of their enquiry to the Financial Care (Tier 3) consultants.</p> <p>Property accounts that have customers affected have a Grange special note stating: 'Privacy Account'.</p> <p>There is approximately 80 Grange screens where customer details are visible, only a selected number of frequently used screens have those details masked, with a few other screens flagged with a large pop-up warning to highlight that the</p>		

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			<p>customer is identified as being affected by Family Violence. This was implemented on several forms within Grange, on 28 February 2022.</p> <p>All confidential conversations are recorded in Nexus with security access limited to the Tier 3 Financial Care team.</p> <p>During the scope period, the Family Violence Register did not record any request from customers to keep their information confidential.</p> <p>Recommendation</p> <p>Not Applicable</p>		
79	<p>Water Services Regulations 2013 Regulation 67</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>Except as otherwise provided under the Act, the records maintained by the licensee for a period in relation to land are the basis upon which the licensee must determine the water service charges applicable for the period.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Team Leader Rating Services — Team Leader Creations & Process Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — PCY320 Maintain Property Records; — PCY319 Maintain Customer Records; — S307 Retrospective Adjustment of Service Charges; — S319 Retrospective Adjustment of Water Use Charges; and — Review Bill Procedure. 	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>We confirmed that water service charges differ for commercial and residential customers. For residential customers, a standard fixed charge applies for the water service. For commercial customers, water service charges are based on multiple inputs such as rental valuation, the size of the water service or meter to the property, the flow rate required and the number of major fixtures at the property.</p> <p>Under <i>PCY320 Maintain Property Records</i>, water service charges are billed based on the Water Corporation's records. All records are stored on the Grange customer management system and are maintained to ensure that they are consistent with those held by other State and Local Government Agencies. When necessary, records are amended based on timely and relevant advice received from customers. Water service charges may be adjusted retrospectively if the property records contain incorrect information.</p> <p>We noted that sewerage and drainage charges are determined by the gross rental value of the property which is determined by Landgate Property Valuation Services.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
80	<p>Water Services Regulations 2013 Regulations 68(5)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must consider an objection to</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance; — Specialist Customer Assurance; — Team Leader Rating Services; and <p>The following documents were reviewed:</p>	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>the records maintained by a licensee under regulation 65 as soon as practicable.</p>		<ul style="list-style-type: none"> – S115 Processing External Customer Contacts; – Policy and Compliance Suite of Reporting Activities; – Procedure for Processing External Customer Enquiries and Complaints; – Classification and Rating Guide; – PCY225 Customer Complaints; – Property Records Objection to State Administrative Tribunal (SAT) <p>We established that the Customer Billing and Assurance Business Unit is responsible for monitoring this obligation, with the Rating Investigation Team being responsible for the day-to-day operations.</p> <p>Under <i>S115 Processing External Customer Contacts</i> and the <i>Procedure for Processing External Customer Contacts</i>, all customer objections begin as either a complaint or an enquiry received by Customer Service. They are referred to the Rating Investigation Team for further investigation. Once the Rating Investigation Team determines that it is an objection, it must be recorded in Grange by the officer dealing with the matter. Objections are not dealt with by Customer Service.</p> <p>Objections must be considered as soon as practicable when the enquiry is received by the Rating Investigation Team. As soon as practicable is defined in the <i>Procedure for Processing External Customer Enquiries and Complaints</i> as the immediate point in time that the customer expresses dissatisfaction with the Corporations decision regarding their objection.</p> <p>Officers responsible for resolving customer contact must provide a meaningful written response to the objection within 15 business days in accordance with the <i>Procedure for Processing External Customer Enquiries and Complaints</i>. An interim response, either written or verbal, is to be provided where the objection cannot be resolved within 15 business days.</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>During the audit period, only one customer has been directed to the State Administrative Tribunal (SAT) on the 6 July 2021. The Ombudsman's office agreed to proceed the matter to the SAT on the 24 June 2021 and the Corporation filed the paper on 6 July 2021 complying with the regulation. Usually, the objection occurs when the Corporation classifies the customer as non-residential or residential vice and versa.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
81	<p>Water Services Regulations 2013 Regulations 68(6)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must give the person by whom the objection was made written notice of the licensee's decision on the objection together with a brief statement of the licensee's reasons for the decision.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Team Leader Rating Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — S115 Processing External Customer Contacts — Policy and Compliance Suite of Reporting Activities — Procedure for Processing External Customer Enquiries and Complaints — Classification and Rating Guide — PCY225 Customer Complaints — Property Records Objection to State Administrative Tribunal (SAT) — Processing Objections to Records 	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>We identified that the Customer Billing and Assurance Business Unit is responsible for monitoring these obligations, with the Rating Investigation Team being responsible for the day-to-day operations.</p> <p>As outlined in the Procedure for Processing External Customer Enquiries and Complaints, consideration must be given to a customer's objection to entries in records, with an initial investigation being carried out by a Rating Services staff member. Following the completion of the initial review, a decision is made to allow or disallow the customer's objection. A written response is provided to the customer outlining the reasons for the decision and advising that the records have been amended.</p> <p><i>Under the Procedure for Processing External Customer Enquiries and Complaints, the decision on the outcome of all objections must be provided in writing to the customer along with a brief statement of the reason for the decision. Written notification must be provided regardless of whether the objection is allowed or disallowed, in whole or in part.</i></p> <p>A written notice of Water Corporation's decision on an objection together with a brief statement of its reasons for the decision is generally provided within 15 days according to the Corporation's Key Performance Indicator (KPI).</p> <p>The written notification statement is sent to customers by the responsible officer from the Rating Investigation Team.</p> <p>We tested the only instance that occurred during the audit scope period, where a customer's objection was allowed by the Corporation. Subsequently, a written notification statement was sent to the customer by the responsible officer from the Rating Investigation Team.</p> <p>No issues identified.</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Recommendations</p> <p>Not Applicable</p>		
82	<p>Water Services Regulations 2013 Regulations 68(7)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If the licensee allows an objection, wholly or in part, to entries in the records maintained by a licensee under regulation 65, the licensee must advise the person who objected of any consequent amendment of the records.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Team Leader Rating Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — S115 Processing External Customer Contacts — Policy and Compliance Suite of Reporting Activities — Procedure for Processing External Customer Enquiries and Complaints — Classification and Rating Guide — PCY225 Customer Complaints — Property Records Objection to State Administrative Tribunal (SAT) — Processing Objections to Records — Sample Documentation <p>We established that the Customer Billing and Assurance Business Unit is responsible for monitoring this obligation, with the Rating Investigation Team being responsible for the day-to-day operations.</p> <p>As outlined in the <i>Procedure for Processing External Customer Enquiries and Complaints</i>, consideration must be given to a customer's objection to entries in records, with an initial investigation being carried out by a Rating Services staff</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>member. Following the completion of the initial review, if the customer’s objection is allowed, the records to which the customer objected are amended and the bill is adjusted. A written response is provided to the customer outlining the reasons for the decision and advising that the records have been amended.</p> <p>We tested the only instance that occurred during the audit scope period, where a customer’s objection was allowed by the Corporation. Subsequently, a written notification statement was sent to the customer by the responsible officer from the Rating Investigation Team.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
83	<p>Water Services Regulations 2013 Regulations 68(8)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If the licensee disallows an objection, wholly or in part, to entries in the records maintained by a licensee under regulation 65, the licensee must advise the person of the time within which and the manner in</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Team Leader Rating Services — Specialist Water Service Licence <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — S115 Processing External Customer Contacts — Policy and Compliance Suite of Reporting Activities — Procedure for Processing External Customer Enquiries and Complaints — Classification and Rating Guide — PCY225 Customer Complaints — Property Records Objection to State Administrative Tribunal 	A	NR

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>which a review of the decision may be sought.</p>		<ul style="list-style-type: none"> – Processing Objections to Records – Sample documentation <p>We established that the Customer Billing and Assurance Business Unit is responsible for monitoring this obligation, with the Rating Investigation Team being responsible for the day-to-day operations.</p> <p>As outlined in the <i>Procedure for Processing External Customer Enquiries and Complaints</i>, consideration must be given to a customer's objection to entries in records, with an initial investigation being carried out by a Rating Services staff member. Following the completion of the initial review, if the customer's objection is disallowed, Rating Service will consult and seek advice from Manager Billing Services & Solutions, Policy & Compliance and/or Legal Services to confirm that the regulations fully support the Water Corporation's decision. The customer is then informed in writing of the decision.</p> <p>In accordance with <i>Property Records Objection to State Administrative Tribunal</i>, the customer must be informed of their right to apply to the State Administrative Tribunal (SAT) for a review of the Water Corporation's decision. Customers are informed in the written decision of the right to review the decision and are provided with the SAT referral guide.</p> <p>If the customer is still dissatisfied but does not elect to refer the matter to SAT, a written response is provided to the customer reiterating the decision to disallow the objection. Customers often get 42 days water corporation to analyse the matter before scaling to SAT.</p> <p>When Water Corporation disallows an objection, the Corporation advises the customer of the process and the time. The Corporation often analyses the matter within 42 days before scaling to SAT, within which they can request a review of the decision from the SAT and the process.</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>The customer will be advised that they have the option to submit a dispute towards the Corporation's decision by informing the Corporation, who will refer the case to the SAT. And the customer will be informed of the process to appeal in writing to the SAT.</p> <p>Through discussions and inspections, we noted that there had been no disallowance to objection during the audit period.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
84	<p>Water Services Regulations 2013 Regulation 69(3)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>Upon receipt of a notice from a person dissatisfied with a decision of the licensee on an objection, the licensee must promptly refer the relevant records to the State Administrative Tribunal for a review.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Team Leader Rating Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — S115 Processing External Customer Contacts — Policy and Compliance Suite of Reporting Activities — Procedure for Processing External Customer Enquiries and Complaints — Classification and Rating Guide — PCY225 Customer Complaints — Property Classification Objection to State Administrative Tribunal — Processing Objections to Records 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>We established that the Customer Billing and Assurance Business Unit is responsible for monitoring this obligation, with the Rating Investigation Team being responsible for the day-to-day operations.</p> <p>Under <i>Property Classification Objection to State Administrative Tribunal</i>, if a written request is received from the customer electing to refer the matter to SAT within 42 days of the written notification, the Rating Services Team will refer the matter to SAT. The 42-day time period may be extended at the discretion of the Water Corporation where the customer shows reasonable cause.</p> <p>To refer the matter to SAT, the Rating Services Team must complete a SATeForm within 10 working days in accordance with <i>Property Classification Objection to State Administrative Tribunal</i>. The <i>SATeForm</i>, <i>SAT Payment Form</i> and all supporting documentation are forwarded to Legal Services for processing. Once Legal Services are satisfied, they provide written notification to SAT and the customer notifying the lodgement of the objection.</p> <p>During the audit period, only one objection has been directed to the State Administrative Tribunal (SAT) on the 6th of July 2021. The Ombudsman's office agreed to proceed with the matter to the SAT on the 24th of June 2021 and the Corporation promptly filled the paper on 6 July 2021 complying with the regulation.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
85	Water Services Regulations 2013 Regulation 70(2) OL 16: Clause 4.1.1	4	The following personnel were interviewed: <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance 	NP	NR

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>OL 17: Clause 4.1.1</p> <p>Upon receipt of a notice from a person dissatisfied with a decision of the licensee to refuse to extend the time for giving an objection to the licensee or a notice under regulation 69(2), the licensee must promptly refer the decision to the State Administrative Tribunal for a review.</p>		<ul style="list-style-type: none"> – Team Leader Rating Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – S115 Processing External Customer Contacts – Policy and Compliance Suite of Reporting Activities – Procedure for Processing External Customer Enquiries and Complaints – Classification and Rating Guide – PCY225 Customer Complaints – Property Classification Objection to State Administrative Tribunal – Processing Objections to Records <p>We established that the Customer Billing and Assurance Business Unit is responsible for monitoring this obligation, with the Rating Investigation Team being responsible for the day-to-day operations.</p> <p>Under <i>Property Classification Objection to State Administrative Tribunal</i>, if a written request is received from the customer electing to refer the disallowed objection to SAT within 42 days of the written notification, the Rating Services Team will refer the matter to SAT. The 42-day time period may be extended at the discretion of the Water Corporation where the customer shows reasonable cause.</p> <p>If the Water Corporation refuses to extend the 42-day time period, this decision can be referred to SAT for review. Matters are referred when a written request is received from the dissatisfied customer. Water Corporation has had relevant processes and procedures in place since June 2020. The Corporation referred to the 'Property Classification Objection to State Administrative Tribunal (SAT)' Property classification and '<i>Processing Objections to Records-PR-311</i>' as evidence of the fulfilment of this Obligation.</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>There was no instance during the audit period in which the Corporation refused to extend the time for giving an objection to the Corporation's notice under <i>regulation 69(2)</i>.</p> <p>Recommendations</p> <p>Not Applicable</p>		
86	<p>Water Services Regulations 2013 Regulation 74(1)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must make any amendment of the records necessary as a consequence of an allowance, wholly or in part, of an objection under the Act or the Valuation of Land Act 1978 or as a consequence of a review by the State Administrative Tribunal.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Team Leader Policy & Compliance – Specialist Customer Assurance – Team Leader Rating Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – Property Classification Objection to State Administrative Tribunal (SAT) – Resolving Landgate Account Amendments, Disputes and Objections – S307 Retrospective Adjustment of Service Charges – Review Bill Procedure – Processing Objections to Records <p>As outlined in the <i>Objection to State Administrative Tribunal (SAT)</i> procedure, if the SAT upholds the objection to classification from the customer, the Rating Services Team must:</p>	A	1
87	<p>Water Services Regulations 2013 Regulation 74(2)</p>	4	<ul style="list-style-type: none"> – Amend the Corporation's records of the concerned customer, – Determine or re-determine any water service charge; and – Provide a refund or rebate (if required). 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must, if necessary, as a consequence of the amendment to the records under regulation 74(1), determine or re-determine any water service charge; and, if necessary, provide a rebate or refund.</p>		<p><i>S307 Retrospective Adjustment of Service Charges</i> details the processes to be followed when water service charges are to be determined or re-determine and/ or when a refund or rebate is to be provided to the customer.</p> <p>On 3 September 2021, a decision was made by the SAT to apply one sewerage charge in relation to Account No. [REDACTED] and [REDACTED] respectively, for the duration of the claimant's ownership of the property until sale, transfer or disposal of the property to another party or redevelopment of the property.</p> <p>We observed that the amendment requested by the SAT has been recorded on the Corporation system at the same settlement determined by the court and that the account No. [REDACTED] bill after that is not charging sewerage. Furthermore, on the same day, a refund credit of approximately \$2,800 was applied to the referred customer account No. [REDACTED], complying with the deed of settlement.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
88	<p>Water Services Regulations 2013 Regulation 75(1)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If a person is liable, under an agreement with the owner of land, for payment of the water service charges in</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Team Leader Rating Services — Team Leader Creations & Process Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — PCY319 Maintain Customer Records 	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>respect of certain land, the person is entitled to receive from the licensee all information necessary for the person to assess his or her liability under the agreement.</p>		<ul style="list-style-type: none"> — Corporation’s website, Contac-us link https://www.watercorporation.com.au/About-us/Contact-us; — Self-Serve option online via My Water; and — Review of the Corporation’s website. <p>As outlined in <i>PCY319 Maintain Customer Records</i>, the owner, Managing Agent or Tenant can contact the Water Corporation via telephone, email, letter or website login and receive the below information provided the security criteria are met:</p> <ul style="list-style-type: none"> — Managing Agent: <ul style="list-style-type: none"> — Everything from the date the Agent /Authority was established; — Add a 3rd Party as a “Tenant Bill” to the account; and — Request a payment transfer over the phone. — Tenant: <ul style="list-style-type: none"> — Water service charges; — Water Usage amounts in KL and \$; — Confirm whether usage amounts are paid or not; — Copies of accounts issued in their name; — Update tenant details; — Request a Tenant Bill Payment Arrangement; — Set up a Tenant Bill Direct Debit; and — Tenant concession applications. 		

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			<p>According to the Corporation's website, it is committed to protecting the privacy of individuals' personal information and is bound by the Privacy Act 1988. The Corporation will disclose personal information to the extent that it is deemed necessary to provide the service that the individual has requested.</p> <p>Additionally, as outlined on the Corporation's website, the Corporation will issue accounts to either the Managing Agent or Tenant at the Owner's request. If an account sent to anyone other than the Owner is unpaid after the due date, recovery action will be taken against the Owner.</p> <p>The property owner will remain responsible for all service and water use charges. Additionally, the Corporation's website details that any arrangements between an Owner and the Tenant regarding payment of charges are a private matter between those parties.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
88A	<p>Water Services Regulations 2013 Regulation 80H</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must, within 60 days after receiving a water efficiency management plan from an owner or occupier of a non-</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Demand Delivery <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Work Instruction: WEMP – Reviewing Reports <p>We obtained the <i>Water Efficiency Management Plan</i> ("WEMP") and confirmed it outlines the process of reviewing, accepting, and rejecting. The Corporation's online form management system called iApply, controls the process by reporting</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	residential lot, approve the plan, request further information, or request a revised plan by written notice.		<p>pre-scheduled correspondence, notifying customers, and allowing interaction immediately after receiving the link.</p> <p>Non-residential customers that use more than 20,000kL of water per year are required to submit a WEMP. Customers submit their reporting of water quality to be reviewed by the corporation; yearly a follow-up with those customers occurs by phone or email regarding the compliance with targets. An automated email is sent to the Water Efficiency inbox when a customer submits a plan within iApply. The Demand Delivery Team will trigger all further correspondence.</p> <p>Although the regulation establishes a timeframe of 60 days of receiving a Water Efficiency Management Plan of either the acceptance or rejection of the report by sending written notice to the customer, the Corporation has established an internal target of 15 business days to either approving or rejecting the report, monitoring those queries weekly by Officer Demand Delivery via the WEMP register.</p> <p>We sample tested five (5) out of 19 Water Efficiency Management Plans received by the Corporation within our scope period to check whether the Corporation had provided written notice to the customer within 60 days after a water efficiency management plan or a revised plan.</p> <p>No exceptions were identified through this check.</p> <p>Recommendations</p> <p>Not Applicable</p>		
89	Water Services Regulations 2013 Regulation 85 OL 16: Clause 4.1.1	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Manager Operations Delivery — Regional Manager, Great Southern 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>OL 17: Clause 4.1.1</p> <p>Compliance notices issued by the licensee must include a brief description of the possible consequences under the Act of not complying with the notice, and the rights of review under the Act in relation to the notice and who may apply for review.</p>		<ul style="list-style-type: none"> – District Work planner UGS – Team leader LGS Wastewater, Drainage and Forestry – Team leader Civil, Lower Great Southern. <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – Compliance Notice Process Framework <p>We established the Operations Delivery Business Unit is responsible for monitoring the Corporation’s compliance against this obligation. We identified the Corporation has work instructions relating to the issue of Compliance Notices.</p> <p>We note that during the 2018 Operational Audit, the auditor identified that final versions of compliance notices issued were generally not retained on file. Furthermore, the 2020 Operational Audit checked that a process improvement had been made by the Corporation on the Compliance Notice Process Framework in June 2020, which includes compliance notice templates that were reviewed and approved by Legal Services prior to coming into effect and recordkeeping requirements. Moreover, relevant corporate documentation was also updated to include recordkeeping requirements.</p> <p>We tested a sample of thirty (30) compliance notices to check that they contained the following:</p> <ul style="list-style-type: none"> – The possible consequences under the Act of not complying with the notice; and – The rights of review under the Act in relation to the notice and who may apply for review. <p>We noted that one (1) out of the thirty (30) compliance notices selected for evidence testing was not retained on file.</p>		

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			<p>No compliance issues were identified through sample testing.</p> <p>Recommendations</p> <p>Not Applicable.</p>		
90	<p>Water Services Regulations 2013 Regulation 86(6)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If the licensee appoints an employee as an authorised or approved officer for the purposes of the Criminal Procedure Act 2004 Part 2, the licensee must issue the officer a certificate, badge or identity card identifying the officer as a person authorised to issue infringement notices.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Manager Operations Delivery — Regional Manager, Great Southern — District Work planner UGS — Team leader LGS Wastewater, Drainage and Forestry — Team leader Civil, Lower Great Southern. <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — PCY370 Prosecution and Enforcement Policy — Guide to Infringement notices for authorised and approved officers — Prosecutions and Enforcement Guideline — Work Instruction – Management of Infringement Officers and Notices — Authorised Officers Register — Certificate of Authority issued <p>Through discussion and review of policies, register of appointed persons, procedures, and work instructions, we confirmed that the Corporation had issued</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>a Certificate of Authority to the Corporation's employees appointed to be an officer for the purposes of the Criminal Procedure Act 2004 Part 2.</p> <p>We reviewed the Management of Infringement Officers and Notices, and we noted that the Corporation's CEO is entitled to appoint, in writing, employees or classes of employees to be authorised officers or approved officers for the purposes of the <i>Criminal Procedure Act 2004 Part 2</i>.</p> <p>Through the list of authorised officers or approved officers for the purposes of the Criminal Procedure Act 2004 Part 2 obtained, randomly selected a sample of seven employees appointed as authorised officers and checked that all employees have a <i>Certificate of Authority</i> issued by the Corporation with a signature by the Chief Executive Office.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
91	<p>Water Services Regulations 2013 Regulation 86(9)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must maintain a list of persons appointed to be authorised officers or approved officers for the purposes of the Criminal Procedure Act 2004 Part</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Manager Operations Delivery — Regional Manager, Great Southern — District Work planner UGS — Team leader LGS Wastewater, Drainage and Forestry — Team leader Civil, Lower Great Southern. <p>The following documents were reviewed:</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	2, and must, on request, give a copy of the list to the CEO or to the chief executive officer of the Public Services principally in the administration of the assisting Criminal Procedure Act 2004.		<ul style="list-style-type: none"> — Guide to Infringement notices for authorised and approved officers — S511 Withdrawing Infringement Notices – Breach of Scheme Water Restrictions — Prosecutions and Enforcement Guideline — Issuing Infringement Notices — Authorised Officers Register on WaterNet <p>Through discussion and review of policies, register of appointed persons, procedures, and work instructions, we confirmed that the Corporation maintains a list of persons appointed to be authorised officers against regulation 86(9).</p> <p>The <i>Authorised Officers Register</i> maintains on the Corporation's <i>WaterNet</i> information system a list of persons appointed to be authorised officers or approved officers for the purposes of the <i>Criminal Procedure Act 2004 Part 2</i> and that these lists are available for review by the CEO or the CEO of the Public Services principally assisting in the administration of the <i>Criminal Procedure Act 2004</i>.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
92	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 8(1)-(3) OL 16: Clause 4.1.1	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Senior Advisor Business Management — Support Officer Business Services — Manager – Business Management 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>OL 17: Clause 4.1.1</p> <p>The licensee must have written information for customers about the prescribed matters regarding connections and the information must be publicly available. (Note: the information required by clause 8(2)(a) applies to the Water Corporation, Bunbury Water Corporation and Busselton Water Corporation only and the information required by clause 8(2)(g) applies only to licensees that supply potable water).</p>		<p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Water Corporation’s website: “<i>Water & sewer connections</i>” — https://www.watercorporation.com.au/Help-and-advice/Building-and-renovating/Water-and-sewer-connections/Water-and-sewer-connections — Water Corporation’s website: “<i>Standard terms and conditions for water supply and sewerage services</i>” https://www.watercorporation.com.au/legal/standard-terms-and-conditions — Water Corporation’s website: “<i>Building & renovating</i>” https://www.watercorporation.com.au/Help-and-advice/Building-and-renovating — Water Corporation’s website: “<i>Fees & charges [for Building]</i>” — https://www.watercorporation.com.au/Developing-and-building/Building/Fees-and-charges — Water Corporation’s website “<i>Water supply service fees</i>” https://www.watercorporation.com.au/home/builders-and-developers/building/fees-and-charges/water-supply-service-fees — Water Corporation’s website: “<i>Fees & charges [for subdivided properties]</i>” https://www.watercorporation.com.au/home/builders-and-developers/subdividing/fees-and-charges — Water Corporation’s website: “<i>Your water service connection responsibilities</i>” https://www.watercorporation.com.au/Help-and-advice/Building-and-renovating/Water-and-sewer-connections/Your-water-service-connection-responsibilities — S380 Water Services By Agreement ID#9348540 — Water Supply Fire Service Agreement ID#9808890 		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>– Non-Standard Wastewater Service Agreement ID#2361420</p> <p>Through discussions and a review of the Corporation’s website, we confirmed that the Corporation has written information for customers about the prescribed matters regarding connections according to <i>Clause 8 (1) to (3) of the Water Services Code of Conduct (Customer Service Standards) 2018</i>. The information is publicly available through the Corporation website to customers and addresses the minimum detail requested by this obligation. We also confirmed that hardcopy documents are provided to customers without a charge when requested.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
93	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 9(2) and (4)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must ensure that, in any 12-month period, 90% of water supply service connections are completed before the end of 10 business days, starting on the day on which the customer has paid the relevant fees and complied with the relevant requirements.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Manager Operations Compliance – Manager Operations Delivery – Regional Manager, Great Southern – District Work planner UGS – Team leader LGS Wastewater, Drainage and Forestry – Team leader Civil, Lower Great Southern. <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – Work Planning and Scheduling Using the Planning and Commitment Tool – Standard Terms and Conditions – New Services – New Service Quick Reference Sheet – New Service/Meter Feedback – Asset Viewer – Quick Reference Sheet <p>The Corporation is required by Clause 9(2) of the <i>Water Services Code of Conduct (Customer Service Standards) 2018</i>, to complete a connection of water supply services within “10 business days”. The Corporation’s “<i>Standard Terms and Conditions</i>” for new services stipulates that a water supply service connection will be completed within “10 workings” days.</p> <p>Through discussions and a review of the Work Planning and Scheduling Using the Planning and Commitment Tool work instruction, we noted that work activities, which include the connection of water supply services, are planned and balanced to available resources.</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>The following process is followed in respect of connections of water supply services:</p> <ul style="list-style-type: none"> — Customer makes an application for a new service through BuilderNet; — On receipt of payment, a Grange work slip is created; — Grange feeds the work slip to SAP, and a work order is created; — The work order can be viewed by the scheduler in SAP (PM transaction ZW05) with a “Basic Start Date” displaying the same as “Created Date”, and a “Latest Start Date” displaying the timeframe work is required to be completed by (10 business days); — Field crews complete work according to the Install Service Work Instructions and comprehensive feedback on the Mobile Computing Systems (MCS) device according to the New Service Quick Reference Sheet; and — Completed work orders can be viewed in SAP (PM transaction ZW08). <p>The Corporation monitors performance on this weekly via “Flash Meetings”.</p> <p>The calculation to complete the connection of water supply services within “10 business days” commence when payment is received, and the work instruction is issued unless otherwise agreed with the customer. The Corporation compares the actual start date with the end date to determine whether it has been delivered on time or not. This is measured in the month that the work order is completed. After each financial year, the performance with this obligation is reported to the ERA.</p> <p>In terms of the “payment received” date, the Corporation cannot explain if the “start date” is when the customer pays the funds or when the funds are available, cleared and recorded in the Corporation’s BuilderNet and/or Grange systems.</p> <p>We reviewed the BPR-005437: Installations of new water connections – YTD, which is an analytical extraction that calculates the performance of the</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Corporation in terms of this obligation. We noted that the Corporation met the required performance target of 90% for each year of the audit scope.</p> <p>We checked the Business Performance Reporting General Manager Operations Group KPI-June 2022 (“In Progress”) and noticed that the Corporation had achieved the targeted threshold of 90%. The actual water supply service connection completeness was 97.9%, with monthly KPIs over 90% completed before the end of 10 business days.</p> <p>Additionally, reviewing Business Performance Reporting General Manager Operations Group KPI June 2021 report, identifies the overall installation of new water connections was 95.9%, with monthly KPIs over 90% completed before the end of 10 business days.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
94	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 10(2)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If the licensee charges a fixed charge, the licensee must issue a bill for a fixed charge to each customer at least once in every 12-month period.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Team Leader Rating Services — Team Leader Creations & Process Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — PCY321 Bill Customer — S300 Billing — Water Corporation website <p>We established Customer Billing and Assurance as responsible for billing activities, and Grange, as the primary billing system.</p> <p>The Corporation’s current billing cycle/frequency is set at bi-monthly, where customers who opt to pay service charges annually still receive an annual bill for service charges and 2 monthly water use bills. For those customers on a monthly meter reading cycle, their service charges are also apportioned and billed monthly in accordance with PCY321 Bill Customer.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
95	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 11(2)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If the licensee charges a quantity charge, the licensee must issue a bill for a quantity charge to each customer at least once in every 4-month period.</p>	2	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Team Leader Policy & Compliance – Specialist Customer Assurance <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – PCY321 Bill Customer #58564205 – S300 Billing #58535697 – S308 Estimating and Projecting Water Use #58489358 – B10403 – Add and Maintain Property – B20203 – Maintain Service Point details – B50100 – Schedules, Fees & Billing Parament – Point Incident Review (PIR) - INC0185116 - Direct debit form updating Grange with wrong bill type – Water Corporation website “Understanding your water bill” https://www.watercorporation.com.au/Bill-and-account/My-charges – Water Corporation website “Paperless billing” www.watercorporation.com.au/Bill-and-account/Sign-up-to-paperless-billing <p>We established that Customer Billing and Assurance is responsible for billing activities with the Grange Billing system as the primary billing system. Reviewing processes, procedures, work instructions, and the Corporation’s website confirmed that the Corporation bills customers for water use charges (i.e., a bill for usage; quantity charge) every two (2) months.</p>	A	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>As outlined on the Corporation’s website, service charges (i.e., non-quantity) are calculated based on the number of days in the billing period, while water use charges (i.e., a bill for usage) are calculated based on the actual meter reading (from the date of the customer’s last meter reading to the current meter reading).</p> <p>Through discussions and review of the Corporation’s website, we confirmed that the Corporation issues bills to the owner of the property or a nominated third party (i.e., property agent/tenant) at their last notified postal or email address. Additionally, customers and their nominated third party are also able to receive and view their bills electronically through the My Water system.</p> <p>In the 2020/21 Annual Compliance Report to the ERA, changes on the Corporation’s website caused some customers who signed up for paperless billing not to receive a bill within the required 4-month period. The breach was identified on 18 May 2021, wherein 1,813 accounts were affected, but 1,022 accounts were actually impacted. An investigation concluded that a fault caused the breach on the website. The Information & Technology (IT) team updated the Corporation’s website, causing some customers who signed up for paperless billing not to receive a bill.</p> <p>According to the report, the following actions were completed by 8 July 2021, and customers affected have been contacted to explain and apologise for the oversight:</p> <ul style="list-style-type: none"> – Copies of bills have been issued to all customers – All interest and/or mercantile fees have been removed – Interest-free payment arrangements have been offered to all customers – A \$20 goodwill allowance was applied to each account <p>We have performed document and register analysis and confirmed that the Corporation’s website was fixed, followed by updating Grange coding with version</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>V69 in May 2021. Moreover, the 1,022 customers' accounts impacted were updated on 21 May 2021 to reflect the correct bill delivery method.</p> <p>Recommendations</p> <p>A recommendation has not been made as the non-compliance issue was resolved.</p>		
96	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 11(3)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>A bill for usage must be based on a meter reading to ascertain the quantity supplied or discharged.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — PCY321 Bill Customer #58564205 — S300 Billing #58535697 — S308 Estimating and Projecting Water Use #58489358 — Water Corporation website “Understanding your water bill” https://www.watercorporation.com.au/Bill-and-account/My-charges — Water Corporation website “Paperless billing” www.watercorporation.com.au/Bill-and-account/Sign-up-to-paperless-billing 	NP	1
97	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 11(4)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p>	4	<ul style="list-style-type: none"> — 2 Monthly Reading - Read Projection and Self Reading #49549447 — MS 002 Obtaining Meter Readings After 3 Projected Reads Work Instruction #101755904 — MS 004 3 Consecutive Projected Reads Report #77709104 	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>If an accurate meter reading is not possible, a bill for usage must be based on an estimate, in accordance with the prescribed regulations (if any), of the quantity of water supplied or wastewater discharged. (Note: The Water Services Regulations 2013 did not address the estimation of bills at the time this Reporting Manual was published).</p>		<p>Through discussions with relevant personnel, and review of the Corporation's documents, website and bills, we determined that water use charges are calculated based on an actual meter reading.</p> <p>As outlined on the Corporation's website, service charges (i.e., non-quantity) are calculated based on the number of days in the billing period, while water use charges (i.e., a bill for usage) are calculated based on the actual meter reading (from the date of the customer's last meter reading to the current meter reading). If applicable, water use information may be obtained from an alternative service provider (Busselton and Bunbury), for Volumetric Sewer Charges.</p> <p>Whenever an actual meter reading is not possible according to the <i>S308 Estimating and Projecting Water Use</i>, which provides further details on different types of obstructions (i.e., pets, gates, out-of-order meters, missing meters, etc.), an estimate or a projected read is used to calculate water use charges. A projected read is used where the Corporation is unable to obtain a meter reading due to obstructions. An estimate is used when a meter is found to be out of order or not registering and is calculated using the same algorithm as a projected read.</p> <p>Work instructions "<i>S308 Estimating and Projecting Water Use</i>" section 5.2 outlines</p>		
98	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 11(5)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If an accurate meter reading is not possible and there are no applicable regulations, a</p>	4	<p>the Corporation may project the current meter reading by reference to the daily average of the quantity of water supplied during a similar period, the last completed cycle or on such other basis as the Corporation may determine. Methods for calculating the projection may include, but are not limited to:</p> <ul style="list-style-type: none"> — A previous period of water use - based on the actual water use recorded during a similar period in the previous year or years where applicable (e.g., the first previous similar period had a leak; consequently, the second previous year is used instead); or — Reasonable water use based on similar situations - where a relevant previous period is not available, a similar situation may be used (e.g., the average known usage for construction of new houses). 	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	bill for usage must be based on a reasonable estimate of supply or discharge using one of the prescribed methods.		<p>Additionally, “S308 Estimating and Projecting Water Use” section 5.4 highlights the Corporation may estimate the quantity of water by reference to the daily average of the quantity of water supplied during a similar period in the previous year, the last completed cycle, other relevant period or on another basis the Corporation determines. Methods for calculating the estimate may include, but are not limited to:</p> <ul style="list-style-type: none"> — A period of current water use – Where the meter is reported as no longer recording accurately, and the meter reading supplied is similar to the expected water use, the actual meter reading may be applied in preference to the estimate. — A period of future water use - The estimate can be calculated using a future period if there is no satisfactory water use history of recorded water use to base the estimate (e.g. reading to be taken 3 – 4 weeks after new meter is fitted); — A previous period of water use - based on the actual water use recorded during a similar period; or — Customer documentation - An estimate supplied by the customer may be accepted when it can be established that the information supplied is a fair and reasonable basis for an estimate. <p>We reviewed some examples of bills and confirmed the estimate is based on the requisite obligation requirements.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
98A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 11(6)	2	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance 	B	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>Despite subclauses 11(4) and (5), a bill for usage based on a meter reading must be issued at least once in every 12-month period.</p>		<p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — PCY321 Bill Customer #58564205 — S300 Billing #58535697 — S308 Estimating and Projecting Water Use #58489358 — 3 or More Consecutive Projected Reads Report — High-Level Process Obtaining meter readings after 3 Projected reads <p>Through discussions with the key stakeholders, and review of procedures and work instructions, we observed that the Corporation has processes in place to obtain meter readings after three (3) projected reads.</p> <p>The Customer Billing Operations Business Unit has strived to improve its process to ensure the customer meter is read at least once in a period of 12 months.</p> <p>The 2020/21 Annual Compliance Report to the ERA identified that the Corporation had failed to read a meter at least once in a period of 12 months for 48 properties state-wide.</p> <p>Our audit procedures revealed a total of 718 breaches from 1 July 2020 to 30 June 2022.</p> <p>Reasons for non-compliance vary; however, the predominant reason is the Corporation was unable to access the property or contact the owner to obtain a meter reading. In these instances, the Corporation issues a bill bi-monthly based on an estimate of water use and takes follow-up action with the customer.</p> <p>According to S308 Estimating and Projecting Water Use, whenever an actual meter reading is not possible (e.g., pets, gates, out-of-order meters, missing</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>meters, etc.), an estimate or a projected read is used to calculate water use charges.</p> <p>Recommendation - Reference No 04/2022</p> <p>We recommend that the Corporation develop a strategy to ensure a meter reading is obtained at least once in every 12 months.</p>		
99	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 12</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must send a bill to the address of the place where the water service is provided or, if the customer nominates another address, to the nominated address.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Senior Advisor Policy & Compliance <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — S345 Customer Records #58527792 — PCY319 Maintain Customer Records #58557655 — PCY321 Bill Customer #58564205 — S300 Billing #58535697 — S308 Estimating and Projecting Water Use #58489358 — Privacy Policy PCY 252 — Water Corporation Website “My Account” <p>www.watercorporation.com.au/Legal/Using-our-systems/My-Water</p>	A	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Through discussions with key stakeholders, a review of the Corporation’s website and procedures on “Guru” regarding postal address updates, we observed that the Corporation issues bills to the owner of the property or a third party nominated by the owner and/or agent of the owner (i.e., property agent/tenant) at their last notified postal or email address. Customers and their nominated third parties can receive and view their bills electronically through the My Water system.</p> <p>Additionally, when customers create an account, the Corporation website informs them that there is a mandatory field to the nominated address and customers’ data will be managed under the <i>Privacy Policy PCY 252</i> that aligns to <i>the Privacy Act 1988 (Cth)</i>.</p> <p>Through enquiries with the Team Leader Policy and Customer Billing, we identified an instance of a breach occurred during the audit period due human error. In that incident, a customer is the owner of two (2) properties. The Corporation’s Officer updated the property ownership for one of the addresses and incorrectly amended the customer’s account to another relative’s postal address. The customer made a complaint in January 2022, which prompted the Corporation to change the address back to the correct address.</p> <p>Recommendations</p> <p>A recommendation has not been made as the non-compliance issue was resolved.</p>		
100	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 13(1)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Senior Advisor Policy & Compliance 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	Each bill must contain the prescribed information.		<p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Grange Chane Notification Issued 31st January 2019 — Customer Bill Format – Request Change Procedure — Obligation 100 – Bill Message Updated re Estimated Bills Feb 2020 — Compliance Check – New White Bills – Code Obligations – Nov 201 — White Bill Queries and Comments <p>We sampled 9 bills and confirmed that they contain the prescribed information under <i>Clause 13(1)</i> of the <i>Water Services Code of Conduct (Customer Service Standards) 2018</i>.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
100A	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 13(3)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>A bill issued for 2 or more water services must specify the charge</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Senior Advisor Policy & Compliance <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Grange Change Notification Issued 31st January 2019 — Customer Bill Format – Request Change Procedure 	B	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	payable for each water service.		<ul style="list-style-type: none"> – Obligation 100 – Bill Message Updated re Estimated Bills Feb 2020 – Compliance Check – New White Bills – Code Obligations – Nov 201 – White Bill Queries and Comments <p>Our inquiry identified instances where two or more water services have been provided, but the charge payable for <u>each</u> service has not been specified. For example:</p> <ul style="list-style-type: none"> – Account number [REDACTED] with the Bill ID [REDACTED], the charge for the three meters [REDACTED] have been combined to yield a consolidated amount of 520KL from which the charge payable was based. – Account number [REDACTED] with the Bill ID [REDACTED], the charge for the two meters [REDACTED] have been combined to yield a consolidated amount of 1169KL from which the charge payable was based. <p>Recommendation - Reference No 05/2022</p> <p>We recommend that the Corporation develop an IT solution and update the billing template to separate the charges when 2 or more water services are provided to a property.</p>		
101	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 13(4) OL 16: Clause 4.1.1 OL 17: Clause 4.1.1 Each bill for usage for a metered water service	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Team Leader Policy & Compliance – Specialist Customer Assurance – Senior Advisor Policy & Compliance <p>The following documents were reviewed:</p>	B	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>must contain the specified information.</p>		<ul style="list-style-type: none"> – Grange Change Notification Issued 31st January 2019 – Customer Bill Format – Request Change Procedure – Obligation 100 – Bill Message Updated re Estimated Bills Feb 2020 – Compliance Check – New White Bills – Code Obligations – Nov 201 – White Bill Queries and Comments <p>Clause 13(4)(g) requires information on the bill, if available, about the customer’s water usage in the billing period compared with the customer’s water usage – (i) in the previous billing period; and (ii) in the corresponding billing period in the previous year.</p> <p>Our inquiries indicate farmland properties with multiple meters did not have the service charges for each water service (Desalinated and Saline) specified. The meters were grouped into one overall charge. For example, account number [REDACTED] with Bill ID [REDACTED], the charge and daily waster use for each water service – Desalinated and Saline – were combined into one charge.</p> <p>Accordingly, information in previous billing period and corresponding billing period in the previous year are not displayed for each type of service contrary to the obligation requirements.</p> <p>Recommendation - Reference No 06/2022</p> <p>We recommend that the Corporation develop an IT solution and update the billing template to include the previous billing period information and the corresponding billing period in the previous year.</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
101A	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 13(5)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If a bill for usage for a metered water service was based on an estimate, the bill must inform the customer that the licensee will tell the customer the prescribed information on request.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Team Leader Policy & Compliance – Specialist Customer Assurance – Senior Advisor Policy & Compliance <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – Grange Chane Notification Issued 31st January 2019 – Customer Bill Format – Request Change Procedure – Obligation 100 – Bill Message Updated re Estimated Bills Feb 2020 – Compliance Check – New White Bills – Code Obligations – Nov 2021 – White Bill Queries and Comments <p>Clause 13(5) of the Water Services Code of Conduct (Customer Service Standards) 2018 states: <i>If a bill for usage for a metered water service was based on an estimate, the bill must inform the customer that the licensee will tell the customer on request — (a) the basis of the estimate; and (b) the reason for the estimate.</i></p> <p>Our inquiries indicate there was one instance [REDACTED] the estimate message was not included in the bill. Additionally, there was one instance [REDACTED] the reason for the estimate has not been outlined. We considered these to be isolated instances.</p> <p>Our sample (20) testing did not identify any exceptions.</p>	A	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			Recommendations Not Applicable		
102	Not used				
102A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 13(6) OL 16: Clause 4.1.1 OL 17: Clause 4.1.1 Each bill must contain the prescribed information.	3	The following personnel were interviewed: <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Senior Advisor Policy & Compliance The following documents were reviewed: <ul style="list-style-type: none"> — Grange Chane Notification Issued 31st January 2019 — Customer Bill Format – Request Change Procedure — Obligation 100 – Bill Message Updated re Estimated Bills Feb 2020 — Compliance Check – New White Bills – Code Obligations – Nov 201 — White Bill Queries and Comments Water Services Code of Conduct (Customer Service Standards) 2018 Clause 13(6) states: Each bill must contain the following general information — <ol style="list-style-type: none"> a) the licensee’s website address; b) a telephone number for account, payment and general enquiries; c) a telephone number for complaints; 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>d) a Freecall telephone number for the office of the water services ombudsman;</p> <p>e) the telephone number of the 24 hour information line provided in accordance with clause 45;</p> <p>f) contact details for account, payment and general enquiries for use by customers with hearing or speech impairment;</p> <p>g) for a residential customer, the telephone number for interpreter services together with the National Interpreter Symbol and the words "Interpreter Services";</p> <p>h) a statement that the website contains information about estimates, meter reading and testing, complaints and review;</p> <p>i) a statement that the bill can be reviewed in accordance with the licensee's review procedure mentioned in clause 20.</p> <p>Our sample (20) testing did not identify any exception.</p> <p>Recommendations</p> <p>Not Applicable</p>		
103	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 14(1)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If a bill is based on an estimate, the licensee must tell the customer on request the basis of</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — S308 Estimating and Projecting Water Use — Work Instructions Estimated Account Adjustment 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	the estimate and the reason for the estimate.		<ul style="list-style-type: none"> — Work Instructions Misreads — Work Instructions Projection Adjustments 		
104	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 14(2)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If a bill is based on an estimate, the licensee must make any adjustments to the next bill to take into account the extent to which the estimate was not reasonable having regard to a subsequent and accurate meter reading.</p>	3	<p>We confirmed through our discussions with the relevant personnel that:</p> <ul style="list-style-type: none"> — On request, the Corporation will inform the customer of the reason for the estimate, and the basis of the estimate; and — The Corporation considers all customer enquiries on disputed estimates. The Corporation will assess the customer’s claim and, if the Corporation deems that the customer’s claim is valid, issue an Advice of Adjustment that lists the customer’s adjusted charges. <p>We performed a walk-through of disputed estimates and confirmed that the Corporation made the necessary adjustments to the next bills.</p> <p>We tested 20 samples and confirmed that the Corporation had advised the customer the basis of the estimate, and the reason for the estimate; and if a bill was based on an estimate, the necessary adjustment was performed to the next bill to take into account the extent to which the estimate was not reasonable having regard to a subsequent and accurate meter reading.</p> <p>Recommendations</p> <p>Not Applicable</p>	A	1
104A	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 15(3)</p> <p>OL 16: Clause 4.1.1</p>	2	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Senior Advisor Policy & Compliance 	B	3

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>OL 17: Clause 4.1.1</p> <p>Each bill for usage to which clause 15 applies must, in addition to the requirements of clause 13, contain the prescribed information.</p>		<p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Customer Billing Summary & Documentation July 2022. <p>Water Services Code of Conduct 2018 Clause 15(3) states that <i>each bill for usage to which this clause applies must, in addition to the requirements of clause 13, contain the following information —</i></p> <ul style="list-style-type: none"> <i>(a) the tariff for each volumetric range within which water has been supplied to the customer;</i> <i>(b) how much more water the customer can be supplied with before supply will start to be in the next volumetric range;</i> <i>(c) the tariff for the next volumetric range;</i> <i>(d) the day on which the tariff for water supplied to the customer will revert to the lowest tariff (i.e. the day on which the customer’s next consumption year starts).</i> <p>Through our examination of bills, discussions with key stakeholders, and observations of related processes, procedures and operations, we identified the bills refer to the month, not ‘day’ that the tariff will reset. The Corporation advised that it is not possible to determine 12 months in advance the exact day that the Corporation will conduct the final meter reading of the year, which is when the tariff will reset.</p> <p>Additionally, the Corporation confirmed there is a number of properties where the bill does not show how much more water the customer can be supplied with before supply starts to be in the next volumetric range; and the tariff for the next volumetric range.</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>In line with the Audit Guidelines, we consider compliance rating of “3” is commensurate with the issue because there is moderate effect on customers and the breach was systematic (self-identified) and not a one-off occurrence.</p> <p>The Corporation advised this non-compliance will be addressed in the next review of the Code in 2023.</p> <p>Recommendation - Reference No 07/2022</p> <p>The Corporation should implement measures to ensure the bill reflect: the day on which the customer’s next consumption year starts; how much more water the customer can be supplied with before supply starts to be in the next volumetric range; and the tariff for the next volumetric range.</p>		
105	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 16(1)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must provide to the customer on request a meter reading and a bill (or revised bill if applicable) for outstanding charges outside of the usual bill cycle, or in case the customer disputes an estimate.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Team Leader Concession & Conveyancing Services — Officer Concession & Conveyancing Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — S308 Estimating and Projecting Water Use — Screenshot of guru page regarding estimates — Water Corporation’s website: “Apply for a meter reading” <p>https://www.watercorporation.com.au/home/business/property-and-settlement-agents/apply-for-a-meter-reading.</p>	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>The Conveyancing Team is responsible for processing special meter reading requests.</p> <p>Property managers can log in to the Online Special Meter Request (SMR) facility and complete the online form to request a Special Meter Reading.</p> <p>Owner, tenants and property managers may call the Corporation to request a reading. The Contact Centre will then enter the reading into the Special Meter Reading (SMR) E-Form. The Conveyance Team will compare the details provided in the E-Form with the Grange account details and mark off the E-Form as completed. At the end of the day, a SMR file is generated and uploaded to Grange.</p> <p>Normal and urgent reads will be usually read within five and two business days respectively.</p> <p>Once the reading is taken, a Special Meter Reading Certificate is issued to the customer. Customers may also request a 'Specific' date meter read.</p> <p>Through inquiries, we understand that there were requests for a meter read and subsequent preparation of a bill for outstanding charges outside the usual bill cycle.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
106	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 17(2) & (3)</p> <p>OL 16: Clause 4.1.1</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance 	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>OL 17: Clause 4.1.1</p> <p>The licensee must have a written policy, standard or set of guidelines (available on the licensee's website and a hardcopy provided to a customer upon request at no charge) in relation to granting a discount to a customer whose meter reading indicates a water usage that is higher than normal for the customer but is likely to have been wasted because of a leak from the customer's system.</p>		<p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — S314 Water Use Allowances – Unexpected Water use/58584962 https://www.watercorporation.com.au/About-us/Our-commitments/Customer-and-service-commitments — High Water Use Accounts - Investigating and Resolving/58579283 — Leak Allowance Policy <p>We visited the Corporation's website and verified that the required information is publicly available. The website states that water charges may be reduced if the customer has undetectable leaks repaired by a licenced plumber. To apply for the allowance, the customer must meet a few conditions, which are outlined in the Leak Allowance Policy and the Leak Allowance Application Form (available on the website).</p> <p>We confirmed with the relevant personnel that customers are also able to access the information by calling the Corporation and requesting that the information be posted to their address.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
107	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 18(2)</p> <p>OL 16: Clauses 4.1.1</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Team Leader Rating Services 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>OL 17: Clauses 4.1.1</p> <p>The licensee cannot recover an undercharged amount from a customer unless it is for water services provided in the 12-month period ending on the day on which the licensee informed the customer of the undercharging.</p>		<p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — S307 Retrospective Adjustment of Service Charges; — S319 Retrospective Adjustment of Water Use Charges; and — S072: Financial and Legal Authorisation Standard — Review Bill Procedure <p>We reviewed the Corporation’s Standard <i>S307: Retrospective Adjustment of Service Charges</i>, Section 5.2.2 and Standard <i>S319: Retrospective Adjustment of Water Use Charges</i>, Section 5.2.1.2, which states that the Corporation is permitted to bill an undercharged amount that relates to a maximum of a 12-month period prior to the date the customer is notified of the undercharge.</p> <p>The Corporation’s Standard <i>S072: Financial and Legal Authorisation standard</i> has provision for the manual adjustment of undercharged amounts with the delegated authority.</p> <p>Out of 674 accounts reviewed, we did not observe any instances of recovery of an undercharged amount from a customer to be not within the 12 month period from the day on which the Corporation advised the customer of the undercharging.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
108	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 18(3)	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>OL 16: Clauses 4.1.1</p> <p>OL 17: Clauses 4.1.1</p> <p>An undercharged amount must be the subject of, and explained in, a special bill or a separate item in the next bill.</p>		<ul style="list-style-type: none"> – Team Leader Rating Services – Team Leader Creations and Process Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – S072 Financial and Legal Authorisation Standard #58544983 – S307 Retrospective Adjustment of Service Charges #58489329 – S319 Retrospective Adjustment of Water Use Charges #58527873 – Review Bill Procedure #58574496 <p>Through discussions with the key stakeholders, reviewing relevant policies and procedures, and performed sample testing of 15 undercharged accounts, we confirmed there were no exceptions in that the undercharged amount was the subject of a special bill or included as a separate item in the next bill.</p> <p>Additionally, we checked the work instructions “S307 Retrospective Adjustment of Service Charges” and “S319 Retrospective Adjustment of Water Use Charges” and found no issues.</p> <p>Recommendations</p> <p>Not Applicable</p>		
109	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 18(4)</p> <p>OL 16: Clauses 4.1.1</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Team Leader Policy & Compliance – Specialist Customer Assurance – Team Leader Rating Services 	B	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>OL 17: Clauses 4.1.1</p> <p>The licensee must not charge interest or late payment fees on an undercharged amount.</p>		<ul style="list-style-type: none"> – Team Leader Creations and Process Services – Senior Advisor Policy & Compliance <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – S072 Financial and Legal Authorisation Standard #58544983 – S307 Retrospective Adjustment of Service Charges #58489329 – S319 Retrospective Adjustment of Water Use Charges #58527873 – Review Bill Procedure #58574496 <p>We randomly sampled 15 undercharged accounts and found that three (3) accounts had accrued interest or late payment fees on those undercharged amounts. Details are as follows:</p> <ul style="list-style-type: none"> – Customer Account No. [REDACTED] had an undercharged amount raised as an adjusted charge bill for \$120.05 on 11 June 2021, which was combined with the next bi-monthly bill issued on 16 June 2021. The combined bill was not paid by the due date, and the Corporation started accruing interest until it was paid in full on 06 August 2021. Another bi-monthly bill was issued on 17 August 2021, adding the “accrued on previous overdue amounts” of \$2.09. – Customer Account No. [REDACTED] had an undercharged amount raised as an adjusted charge of \$245.95 on 19 March 2021, which was combined with the normal bi-monthly bill issued on 29 March 2021. The combined bill was not paid and commenced accruing interest. A further four bills were issued (bi-monthly bills from May to October 2021 plus an additional adjusted undercharged amount of \$36.10). All overdue bills were paid in full on 19 October 2021, including the interests amount of \$23.78. Additionally, the bi-monthly bill issued on 26 November 2021 includes an interest amount of \$2.89 related to the combined bill. 		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> – Customer Account No. [REDACTED] had an undercharged amount raised as an adjusted charge of \$33.47 on 06 December 2021, which was combined with the next routine bi-monthly bill issued on 06 January 2022. The combined bill was not paid by the due date and started accruing interest which was further added to the next bi-monthly bill issued on 03 March 2022. The total amount was paid in full on 11 March 2022, which included the accrued interest of \$3.11. <p>Recommendation - Reference No 08/2022</p> <p>We recommend that the Corporation:</p> <ul style="list-style-type: none"> – Develop data analytics procedure to detect interest or late payment charged in undercharged amounts. – Develop a system solution that restrict charging interest on undercharged amounts. 		
110	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 18(5)</p> <p>OL 16: Clauses 4.1.1</p> <p>OL 17: Clauses 4.1.</p> <p>The licensee must allow a customer to pay an undercharged amount by way of a repayment plan that has effect for the duration of the shorter of the prescribed periods starting on the</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Team Leader Policy & Compliance – Specialist Customer Assurance – Team Leader Rating Services – Team Leader Creations and Process Services – Senior Advisor Policy & Compliance <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – S072 Financial and Legal Authorisation Standard #58544983 – S307 Retrospective Adjustment of Service Charges #58489329 – S319 Retrospective Adjustment of Water Use Charges #58527873 	A	N/R

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	day that the bill in clause 18(3) is issued.		<p>— Review Bill Procedure #58574496</p> <p>Through discussions with the key stakeholders, reviewing relevant policies and procedures, and performance of sample testing of 15 undercharged accounts, we confirmed that the Contact Centre offers repayment plans; however, no customers entered into any payments plans based on our sample selection.</p> <p>Additionally, we checked the work instructions “S307 Retrospective Adjustment of Service Charges” and “S319 Retrospective Adjustment of Water Use Charges” and found no issues.</p> <p>Recommendations</p> <p>Not Applicable</p>		
111	Not used				
111A	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 19(2)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must, within 15 business days of becoming aware of an overcharge, credit the overcharged amount to the customer’s account or send the customer a</p>	1	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Principal – Policy and Compliance — Team Leader Policy & Compliance — Specialist Customer Assurance — Team Leader Rating Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Water Corporation’s Website “Customer & service commitments” https://www.watercorporation.com.au/About-us/Our-commitments/Customer-and-service-commitments 	C	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>notice informing the customer of the overcharging and recommending options for how the overcharged amount may be refunded or credited to the customer's account.</p>		<ul style="list-style-type: none"> – S115 Processing External Customer Contacts – S317 Refunds – Major Fixture/ Discharge factor Assessment Form – S307 Retrospective Adjustment of Service Charges #58489329 – S319 Retrospective Adjustment of Water Use Charges #58527873 – Review Bill Procedure #58574496 – Grange Billing Rules Review Working File #117917953 <p>Through discussions with the key stakeholders, and review of procedures, and work instructions, we observed that the Corporation has processes in place to notify or credit a customer's account within 15 business days of becoming aware of an overcharge event.</p> <p>Further discussions, we identified that the Corporation, in some instances, overcharged customers. Overcharging occurs because of a human error, such as wrong meter readings/estimations. Once identified, either through a customer or through internal processes, the Corporation immediately credit the customer's account and provides the customer, either by email, phone call, letter and/or an adjusted charge account (bill), with details on how the credit may be refunded or alternatively, held on the account.</p> <p>We reviewed the Corporation's <i>Standard S307: Retrospective Adjustment</i>, and <i>Standard S319: Retrospective Adjustment of Water Use Charges</i>, and we noticed that both have <i>Section 5.3</i> which states that "<i>In accordance with clause 20 of the Water Services Code of Conduct (Customer Service Standards) 2018, a customer is entitled to request the Corporation to review any retrospective adjustment. The customer must be informed of the outcome of the review by the end of 15 business days from the date the customer's request was received</i>".</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>The Corporation reported a breach of this obligation in the 2020-21 Annual Compliance Report to the ERA. The breach related to an overcharge caused by a billing error that affected 1,528 properties. Further analysis found the number of affected properties to be 1,833.</p> <p>We understand that the overcharge related to specific properties where the Corporation had applied the 2020/21 price when part of the water use period was in the 2019/20 year. This contravenes <i>Regulation 5 of the Water Services (Water Corporations Charges) Regulations 2014</i>. This issue was complex in identifying all affected accounts, calculating the overcharge on each individual account, and developing a strategy for communicating with those customers.</p> <p>Most overcharges are often notified to customers within 15 business days. The 1,833 properties affected were assessed and detected as a one-off error, and due to the complexity of the issue, the Corporation was unable to apply for credits and notify customers within the KPI. Nevertheless, the billing rule in the Corporation billing system (Grange) was fixed in June 2020 to ensure no future errors would occur. Thus, credits were applied to accounts, and customers were notified.</p> <p>We randomly sampled forty (40) overcharged accounts during the audit scope period and found that five (5) out of forty (40) accounts sampled had not complied with the timeframe of 15 business days to notify the customer about the outcome of the analysis of overcharged bill. It appears the breaches occurred because the Corporation was waiting for the results of the inspection, which needed to be carried out in regional areas leading to the 15-business day timeframe not met.</p> <p>Recommendation - Reference No 09/2022</p> <p>We recommend that the Corporation:</p> <ul style="list-style-type: none"> — Inform affected customers immediately of the overcharge. — Investigate to identify other potentially affected customers and calculate and reimburse the amount of the overcharge. 		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> – Test the relevant Grange billing rule periodically to ensure compliance with regulatory requirements. – Use data analytics to detect exceptions to the regulatory requirements. 		
112	Not used				
112A	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 19(3)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If the licensee sends the customer an overcharging notice and receives instructions from the customer about the refunding or crediting of the overcharged amount, the licensee must refund the overcharged amount, or credit the overcharged amount to the customer's account within 15 business days of the licensee receiving the instructions.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Team Leader Policy & Compliance – Specialist Customer Assurance – Team Leader Rating Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – Water Corporation's Website; – S317 Refunds – S307 Retrospective Adjustment of Service Charges; – S319 Retrospective Adjustment of Water Use Charges; – Review Bill Procedure – S115: Processing External Customer Contacts. <p>https://www.watercorporation.com.au/About-us/Our-commitments/Customer-and-service-commitments</p> <p>We reviewed the Corporation's Standard <i>S307: Retrospective Adjustment of Service Charges</i>, Section 5.2.4 and Standard <i>S319: Retrospective Adjustment of Water Use Charges</i>, Section 5.2.4.</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>S307 & S319– Section 5.2.4 states that:</p> <p><i>On becoming aware of an overcharge or a resulting credit adjustment to charges, clause 19 of the Water Services Code of Conduct (Customer Service Standards) 2018 stipulates that the following action must be taken:</i></p> <ul style="list-style-type: none"> – <i>Any credit adjustments must be applied within 15 business days.</i> – <i>Immediately notify the customer of the credit and provide details on how the credit may be refunded or alternatively held on the account</i> <p>We randomly selected a sample of 19 accounts identified as being overcharged and did not detect any breaches against the criteria as mentioned in S307 Section 5.2.4.</p> <p>In a review of the Corporation’s website, under the heading “<i>Billing and payment assistance</i>”, we noted the following:</p> <p><i>“Adjustment of bill</i></p> <p><i>We will:</i></p> <ul style="list-style-type: none"> – <i>tell you if an overcharge has occurred within 15 business days of becoming aware of the overcharging</i> – <i>provide you with options on how to have the overcharged amount credited to your account or refunded to you</i> – <i>provide the refunds of any overcharged amount within 15 business days of your lodged request.”</i> <p>We reviewed the S115: <i>Processing External Customer Contacts</i>, which states the following:</p> <p>Section 6.8</p> <p><i>Officers involved in progressing/resolving Customer Contacts in GRANGE shall:</i></p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>a) <i>Keep customers informed of the steps being taken to resolve their Complaint/Enquiry; How and when this is done are at the discretion of the officer(s) involved, but it should ensure that customers are not left wondering what is happening, or what happens next.</i></p> <p>b) <i>Record sufficient notes against the Contact to ensure that other users are aware of:</i></p> <ul style="list-style-type: none"> — <i>The actions taken;</i> — <i>The reason for decisions that have been made; and</i> — <i>Whether a Right of Referral has been provided.</i> <p><i>All forms of communication are to be recorded against the Contact, including copies of emails, letters and faxes, and summarised notes from telephone and face-to-face conversations.”</i></p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
112B	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 19(4)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If instructions from the customer about the refunding or crediting of</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Team Leader Rating Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Water Corporation’s Website; — S317 Refunds 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>the overcharged amount have not been received by the licensee at the end of the period of 10 business days starting on the day an overcharging notice is sent, the licensee must credit the overcharged amount to the customer's account before the end of the period of the next 15 business days.</p>		<ul style="list-style-type: none"> – S307 Retrospective Adjustment of Service Charges; – S319 Retrospective Adjustment of Water Use Charges; – Review Bill Procedure – S115: Processing External Customer Contacts. <p>https://www.watercorporation.com.au/About-us/Our-commitments/Customer-and-service-commitments</p> <p>We reviewed the Corporation's Standard <i>S307: Retrospective Adjustment of Service Charges</i>, Section 5.2.4 and Standard <i>S319: Retrospective Adjustment of Water Use Charges</i>, Section 5.2.4.</p> <p>S307 & S319– Section 5.2.4 states that:</p> <p><i>On becoming aware of an overcharge or a resulting credit adjustment to charges, clause 19 of the Water Services Code of Conduct (Customer Service Standards) 2018 stipulates that the following action must be taken:</i></p> <ul style="list-style-type: none"> – <i>Any credit adjustments must be applied within 15 business days.</i> – <i>Immediately notify the customer of the credit and provide details on how the credit may be refunded or alternatively held on the account</i> <p>We randomly selected a sample of 19 accounts identified as being overcharged and did not detect any breaches against the criteria outlined mentioned in S307 Section 5.2.4.</p> <p>In a review of the Corporation's website, under the heading "<i>Billing and payment assistance</i>", we noted the following:</p> <p><i>"Adjustment of bill</i></p> <p><i>We will:</i></p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> — <i>tell you if an overcharge has occurred within 15 business days of becoming aware of the overcharging</i> — <i>provide you with options on how to have the overcharged amount credited to your account or refunded to you</i> — <i>provide the refunds of any overcharged amount within 15 business days of your lodged request.”</i> <p>We reviewed the S115: Processing External Customer Contacts, which states the following:</p> <p>Section 6.8</p> <p><i>Officers involved in progressing/resolving Customer Contacts in GRANGE shall:</i></p> <ul style="list-style-type: none"> c) <i>Keep customers informed of the steps being taken to resolve their Complaint/Enquiry; How and when this is done are at the discretion of the officer(s) involved, but it should ensure that customers are not left wondering what is happening, or what happens next.</i> d) <i>Record sufficient notes against the Contact to ensure that other users are aware of:</i> <ul style="list-style-type: none"> — <i>The actions taken;</i> — <i>The reason for decisions that have been made; and</i> — <i>Whether a Right of Referral has been provided.</i> <p><i>All forms of communication are to be recorded against the Contact, including copies of emails, letters and faxes, and summarised notes from telephone and face-to-face conversations.”</i></p> <p>No issues identified.</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Recommendations</p> <p>Not Applicable</p>		
112C	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 19(5)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must notify the customer immediately after crediting the overcharged amount to the customer's account under subclause (2)(a), (3) or (4).</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Team Leader Rating Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Water Corporation's Website; — S317 Refunds — S307 Retrospective Adjustment of Service Charges; — S319 Retrospective Adjustment of Water Use Charges; — Review Bill Procedure — S115: Processing External Customer Contacts. <p>https://www.watercorporation.com.au/About-us/Our-commitments/Customer-and-service-commitments</p> <p>We reviewed the Corporation's Standard <i>S307: Retrospective Adjustment of Service Charges</i>, Section 5.2.4 and Standard <i>S319: Retrospective Adjustment of Water Use Charges</i>, Section 5.2.4.</p> <p>S307 & S319– Section 5.2.4 states that:</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p><i>On becoming aware of an overcharge or a resulting credit adjustment to charges, clause 19 of the Water Services Code of Conduct (Customer Service Standards) 2018 stipulates that the following action must be taken:</i></p> <ul style="list-style-type: none"> <i>— Any credit adjustments must be applied within 15 business days.</i> <i>— Immediately notify the customer of the credit and provide details on how the credit may be refunded or alternatively held on the account</i> <p>We randomly selected a sample of 19 accounts identified as being overcharged and did not detect any breaches while performing the test against the criteria mentioned in S307 Section 5.2.4.</p> <p>In a review of the Corporation's website, under the heading "<i>Billing and payment assistance</i>", we noted the following:</p> <p><i>"Adjustment of bill</i></p> <p><i>We will:</i></p> <ul style="list-style-type: none"> <i>— tell you if an overcharge has occurred within 15 business days of becoming aware of the overcharging</i> <i>— provide you with options on how to have the overcharged amount credited to your account or refunded to you</i> <i>— provide the refunds of any overcharged amount within 15 business days of your lodged request."</i> <p>We reviewed the S115: Processing External Customer Contacts, which states the following:</p> <p><i>Section 6.8</i></p> <p><i>Officers involved in progressing/resolving Customer Contacts in GRANGE shall:</i></p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>e) <i>Keep customers informed of the steps being taken to resolve their Complaint/Enquiry; How and when this is done are at the discretion of the officer(s) involved, but it should ensure that customers are not left wondering what is happening, or what happens next.</i></p> <p>f) <i>Record sufficient notes against the Contact to ensure that other users are aware of:</i></p> <ul style="list-style-type: none"> – <i>The actions taken;</i> – <i>The reason for decisions that have been made; and</i> – <i>Whether a Right of Referral has been provided.</i> <p><i>All forms of communication are to be recorded against the Contact, including copies of emails, letters and faxes, and summarised notes from telephone and face-to-face conversations.”</i></p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
113	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 20(1)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must review a bill on the customer's request.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Team Leader Policy & Compliance – Specialist Customer Assurance – Team Leader Rating Services – Manager Capability (acting) <p>The following documents were reviewed:</p>	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> – S307 Retrospective Adjustment of Service Charges/58489329 – S319 Retrospective Adjustment of Water Use Charges/58527873 – Review Bill Procedure/58574496 – Water Corporation’s website: “Customer & service commitments” https://www.watercorporation.com.au/About-us/Our-commitments/Customer-and-service-commitments <p>The corporation has developed the written procedure to review a bill on customer request. The Customer Experience consultant decides whether the bill needs to be recorded in the Grange system or allocated to the customer billing services team to accurately identify the inquiry.</p> <p>We visited the Corporation’s website and verified that the required information regarding the review of water use charges is publicly available.</p> <p>We confirmed that the following information is available:</p> <ul style="list-style-type: none"> – Requesting meter readings or testing, the fees that apply, and the reimbursement of those fees. – What happens when it is found that the customer has been undercharged or overcharged; and – What the customer can do if unsatisfied with the outcome of the review, including the option to complain through the Corporation’s internal complaints process, or through the Energy and Water Service Ombudsman. <p>No issues identified.</p> <p>Recommendation</p> <p>Not Applicable</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
114	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 20(2)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must have a written procedure for the review of a bill on the customer's request.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Team Leader Rating Services — Manager Capability (acting) <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — S307 Retrospective Adjustment of Service Charges/58489329 — S319 Retrospective Adjustment of Water Use Charges/58527873 — Review Bill Procedure/5857449 — Water Corporation's website: "Customer & service commitments" <p>https://www.watercorporation.com.au/About-us/Our-commitments/Customer-and-service-commitments</p> <p>The corporation has developed the written procedure to review a bill on customer request. The Customer Experience consultant decides whether the bill needs to be recorded in the Grange system or allocated to the customer billing services team to accurately identify the inquiry.</p> <p>We visited the Corporation's website and verified that the required information regarding the review of water use charges is publicly available.</p> <p>We confirmed that the following information is available:</p> <ul style="list-style-type: none"> — Requesting meter readings or testing, the fees that apply, and the reimbursement of those fees. 	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> — What happens when it is found that the customer has been undercharged or overcharged; and — What the customer can do if unsatisfied with the outcome of the review, including the option to complain through the Corporation’s internal complaints process, or through the Energy and Water Service Ombudsman. <p>No issues identified.</p> <p>Recommendation</p> <p>Not Applicable</p>		
115	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clauses 20(3) & (6)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The review procedure in clause 20(2) must include the specified information and be available on the licensee’s website and a hardcopy provided to a customer upon request at no charge.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Team Leader Rating Services — Manager Capability (acting) <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — S307 Retrospective Adjustment of Service Charges/58489329 — S319 Retrospective Adjustment of Water Use Charges/58527873 — Review Bill Procedure/58574496 — Water Corporation’s website: “Customer & service commitments” <p>https://www.watercorporation.com.au/About-us/Our-commitments/Customer-and-service-commitments</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>The Corporation has developed written procedure to review a bill on customer request. The Customer Experience consultant decides whether the bill needs to be recorded in the Grange system or allocated to the customer billing services team to accurately identify the inquiry. The Corporation reviews customer bills on their request and informs the customer of the outcome of a review within a period of fifteen days.</p> <p>We visited the Corporation's website and verified that the required information regarding the review of water use charges is publicly available. We confirmed that the following information is available:</p> <ul style="list-style-type: none"> — Requesting meter readings or testing, the fees that apply, and the reimbursement of those fees; — What happens when it is found that the customer has been undercharged or overcharged; and — What the customer can do if unsatisfied with the outcome of the review, including the option to complain through the Corporation's internal complaints process, or through the Energy and Water Service Ombudsman. <p>The customer can also access the information by calling the Corporation and request to post the information to their address.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
116	Services Code of Conduct (Customer Service Standards) 2018 Clause 20(4)	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance 	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The review procedure must state that the customer may, but does not have to, use the licensee's complaints procedure mentioned in clause 46 before or instead of applying to the water services ombudsman or, if available, making an appeal from, or applying for a review of, the decision under regulations mentioned in section 222(2)(k) of the Act.</p>		<ul style="list-style-type: none"> – Team Leader Rating Services – Manager Capability (acting) <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – S307 Retrospective Adjustment of Service Charges/58489329 – S319 Retrospective Adjustment of Water Use Charges/58527873 – Review Bill Procedure/58574496 – Water Corporation's website: "Customer & service commitments" https://www.watercorporation.com.au/About-us/Our-commitments/Customer-and-service-commitments <p>The Corporation has developed a written procedure to review the bills where the customer is not satisfied with the outcome of the licensee complaint process. It includes their right to contact the Energy and Water Ombudsman at the end of the review process and to the State Administrative Tribunal for review.</p> <p>We have also confirmed the procedure on the website where there was a separate section on complaints and resolution procedures. The contents highlighted how the customer can lodge their complaints if not resolved through the licensee procedure and the customer having rights to directly complain to the external body Energy and Water Ombudsman if not satisfied with the outcome.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
117	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 20(5)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must inform the customer of the outcome of a review of the customer's bill as soon as practicable or otherwise less than 15 business days from the day the customer's request for review was received.</p>	2	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Team Leader Rating Services — Manager Capability (acting) <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Water Corporation's Website "Customer & service commitments" https://www.watercorporation.com.au/About-us/Our-commitments/Customer-and-service-commitments — Procedure for Processing External Customer Enquiries and Complaints #58539623 — S115 Processing External Customer Contacts #58489930 — Review Bill Procedure #58574496 <p>Through discussions with the key stakeholders, and review of procedures, and work instructions, we observed that the "S115 Procedure for Processing External Customer Contacts" procedure outlines the requirement to advise the customer of the bill review outcome as soon as practicable or within 15 business days.</p> <p>The Corporation reported this obligation as non-compliant in the 2020/21 Annual Compliance Report as 2.1% (275) customers were not informed of the review of their bills within 15 days.</p>	B	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>We reviewed the KPI report for the audit period and identified that there were 25,481 customer-initiated billing review requests. We identified 465 breaches (non-compliance rate 1.83%) of the 15-business-day requirement (compliance rate 98.17%). We observed the non-compliances related to the complex investigations, access issues or inspections being required to remote properties.</p> <p>We obtained examples of the monthly performance scorecard and confirmed that this requirement is monitored and reported regularly. Where the requirements are not met, it would be escalated internally within the Corporation.</p> <p>We have sampled 17 contacts regarding overcharged, 23 contacts regarding undercharged and four (4) contacts relating to billing complaints, totalling 44 contacts. We have found 11 instances non-compliant. For 11 out of the 44 instances tested, non-compliances related to access issues or inspections of remote properties.</p> <p>We have confirmed with the Team Leader Policy & Compliance that bill reviews are monitored through reporting and are followed up to ensure they meet the KPI as much as possible. There are some instances where it is not possible to achieve the 15-day KPI. Where the Corporation is unable to meet the KPI, the customer is provided with an interim response on or before the 15th day.</p> <p>Recommendation - Reference No 10/2022</p> <p>We recommend that the Corporation:</p> <ul style="list-style-type: none"> — Provide further training to relevant staff on the requirements to inform the customer within 15 business days. — Formulate a compliance strategy, and action plan to ensure customer is informed of the outcome of a review of the customer's bill within 15 business days. 		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
117A	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 21</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must notify each of its customers of any change to the amount or rate of a water service charge in accordance with the requirements in clause 21(2).</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Team Leader Rating Services — Manager Capability (acting) <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Review Bills – Procedure — PCY321 Bill Customer — Processing Discharge Factor Review #58570589 <p>We confirmed through interviews with key stakeholders and review of policies and procedures, the Corporation notifies customers of changes in the amount or rate of a water service charge, through the next bill.</p> <p>We randomly sampled a total of 20 bills based on Quantity Charge, Fixed Charge, and Quantity Charge plus Fixed Charge during the audit scope period. We found that 16 out of 20 sampled bills had not complied with notifying the customer about change to rate of water service charge.</p> <p>Through sample testing, we identified a pattern that for the bills containing fixed charges the Corporation had not notified the change of charge on the next bill, and neither had it been included in the notification in the next bill.</p>	B	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Recommendation - Reference No 11/2022</p> <p>We recommend that the Corporation reviews the billing template to ensure that customers are notified of any change to the amount or rate of water service.</p>		
118	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 23</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The time set by the licensee for the payment of a bill must be after 14 days from when the bill is issued.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Senior Advisor Policy & Compliance — Specialist Water Services Licence <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — PCY321 Bill Customer — S325 Customer Payments <p>We randomly sampled 22 bills during the audit scope period to test compliance with <i>Clause 23</i> of the <i>Water Services Code of Conduct (Customer Service Standards) 2018</i>. We found that three (3) out of 20 samples had not complied with the time set for the payment of a bill after 14 days from when the bill is issued. Details are as follows:</p> <ul style="list-style-type: none"> — Customer Account No. [REDACTED] bill of \$ 119.80 was issued on 2 July 2020 with the due date on 14 July 2020. According to Specialist Customer Assurance, this bill was initially issued with a due date of 20 July 2020. However, the customer applied for a payment arrangement on 14 July 2020, and the Grange system issued a bill with a due date on the same day. 	B	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> Customer Account No. [REDACTED] bill of \$ 42.61 was issued on 13 August 2021 with the due date on 25 August 2021. According to the Specialist Customer Assurance, investigations have identified that this bill was 'raised' on 9 August 2021, but the charge remained 'open' for four days and was not 'issued' to the customer until 13 August 2021. Once the bill was issued, the 'issue' date was picked up as 13 August 2021, which lessened the payment term to 12 days. Further investigations found that the issue appears only when the account has been 'raised' and 'issued' by different areas of the business. <p>Recommendation - Reference No 12/2022</p> <p>We recommend that the Corporation review the root cause of the instances identified; and implement appropriate system control to ensure the time set for the payment of a bill must be after 14 days from when the bill is issued.</p>		
119	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 24(1)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must allow a customer to pay a bill using any of the prescribed methods selected by the customer.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> Team Leader Policy & Compliance Lead Financial Support Specialist Customer Assurance Manager Capability Team Leader Payments & Sundry Billing <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> PCY 318 Collect Revenue PCY 321 Bill Customer 	NP	1
120	Water Services Code of Conduct (Customer	4	<ul style="list-style-type: none"> Water Corporation WA Pay Bills, Check Outages, Update Details & More – (external website) 	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>Service Standards) 2018 Clause 24(2)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must, when offering bill payment method options, inform the customer of the fees and charges (if any) associated with each bill payment method offered.</p>		<ul style="list-style-type: none"> — S325 Customer Payments <p>Through discussions and review of relevant documentation, we confirm that the Corporation allows a customer to pay a bill by internet, telephone, post, and in the case of a residential customer, the ability to pay through Centrepay which is the facility that allows Centrelink customers to have automatic deductions taken from Centrelink Payments.</p> <p>When offering a bill payment options to customers, the Corporation informs the customers of the fees and charges associated with each bill payment method offered.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
121	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 25(1)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>Before receiving a bill payment by direct debit the licensee must obtain the express consent of the customer or of an adult person nominated by the customer to give</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Team Leader Payments & Sundry Billing <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Water Corporation’s website: set up direct debit – (external website) — Water Corporation’s website: direct debit request service agreement – (external website) — Customer & service commitments– (external website) — PCY318 Collect Revenue 	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	consent.		<ul style="list-style-type: none"> — https://guru.livepro.com.au/openaccess/article/1887 – Direct Debit – (internal website). <p>We noted that customers can set up a direct debit through the Corporation website or by registering and logging in to their online water account (My Water). Alternatively, they can also fill out a Direct Debit Request application and send it by email or mail, or they can call the Corporation. To set up a direct debit, the customer is required to declare that they agree to the Direct Debit Request Service Agreement.</p> <p>By requiring customers to set up a direct debit on the website, via their online account or by filling out the application, the Corporation obtains their written consent. Oral consent is obtained when customers request direct debit to be set up via phone.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
122	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 26(1) OL 16: Clause 4.1.1 OL 17: Clause 4.1.1 The licensee must accept payment in advance from a	4	The following personnel were interviewed: <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Team Leader Payments & Sundry Billing The following documents were reviewed: <ul style="list-style-type: none"> — https://www.watercorporation.com.au/About-us/Our-commitments/Our-commitments/Our-commitments 	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	customer on a customer's request.		<ul style="list-style-type: none"> — PCY318 Collect Revenue <p>We observed that the Corporation accepts payments in advance from customers. We also confirmed this through the “chat with us” channel regarding acceptance of advance payment.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
123	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 27</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must on request and at no charge redirect a customer's bills because of the customer's absence or illness.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Senior Advisor Policy & Compliance <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — https://www.watercorporation.com.au/About-us/Our-commitments/Customer-and-service-commitments Leak Allowance — Screenshot from https://guru.livepro.com.au/openaccess/article/848- postal address updates – <p>We confirmed that customers can redirect their bills to another person at no charge. They may do this by updating their details on the Corporation website or by calling the Corporation.</p>	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
124	Not used				
124A	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 28(2)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must advise a customer who has been assessed as experiencing payment difficulties that they have a right to pay the bill under a payment plan or other arrangement under which the customer is given more time to pay the bill or arrears, and the licensee must offer to enter into an appropriate plan or</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Lead Operations <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — https://www.watercorporation.com.au/Help-and-advice/Bill-and-account/Billing/Help-with-paying-your-bill — S391 Payment Difficulties and Debt Recovery Authorisations <p>The Corporation has developed the procedure on <i>Payment Difficulties and Debt Recovery Authorizations</i>, which under <i>Clause 5</i> states: <i>customers who are unable to pay their accounts are encouraged to engage with us to arrange an alternative method of payment.</i></p> <p>While reviewing the <i>Payment Difficulties and Debt Recovery Authorizations</i> procedure, we observed that the Corporation has different payment arrangement types such as Statement Payment Arrangement-Interest Exempt, Financial Hardship arrangements which covers Start Over and Water Assist Program.</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	arrangement with the customer.		<p>Moreover, the website also contains the details under the heading Help with paying your bills. The list of details found in website are as follows:</p> <ul style="list-style-type: none"> — Get more time to pay — Make smaller payments to help you manage your bills — Small automatic payments with direct debit — Flexible payment arrangements <p>Our sample confirmed that the Corporation advised customers who have been assessed as experiencing payment difficulties that they have a right to pay the bill under a payment plan or other arrangement under which the customer is given more time to pay the bill or arrears. The Corporation offered to enter an appropriate plan or arrangement with those customers.</p> <p>Recommendations</p> <p>Not Applicable</p>		
124B	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 28(3)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>When formulating a payment plan or other arrangement for a customer that the licensee has assessed</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Lead Operations <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — https://www.watercorporation.com.au/Help-and-advice/Bill-and-account/Billing/Help-with-paying-your-bill — S391 Payment Difficulties and Debt Recovery Authorisations 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>as experiencing payment difficulties, the licensee must take the customer's capacity to pay the bill into account.</p> <p>In the case of a bill for usage, the licensee must also take into account how much water has been supplied or wastewater has been discharged in previous billing periods.</p>		<p>The Corporation has developed the procedure on <i>Payment Difficulties and Debt Recovery Authorizations</i>, which under <i>Clause 5</i> states: <i>customers who are unable to pay their accounts are encouraged to engage with us to arrange an alternative method of payment.</i></p> <p>While reviewing the <i>Payment Difficulties and Debt Recovery Authorizations</i> procedure, we observed that the Corporation has different payment arrangement types such as Statement Payment Arrangement-Interest Exempt, Financial Hardship arrangements which covers Start Over and Water Assist Program.</p> <p>Moreover, the website contains the details under the heading "<i>Help with paying your bills</i>". The list of details found in website are as follows:</p> <ul style="list-style-type: none"> — Get more time to pay — Make smaller payments to help you manage your bills — Small automatic payments with direct debit — Flexible payment arrangements <p>The Corporation's website, "<i>Check why my bill is high</i>", confirms that the Corporation considers how much water has been supplied or wastewater has been discharged when formulating a payment plan or other arrangement for all customer.</p> <p>We sampled 20 accounts and did not find any breaches.</p> <p>Recommendations</p> <p>Not Applicable</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
124C	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 28(4)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must consider and decide whether or not the payment plan or other arrangement for a customer who has been assessed as experiencing payment difficulties should be interest-free, or fee-free, or both.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Lead Operations <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — https://www.watercorporation.com.au/Help-and-advice/Bill-and-account/Billing/Help-with-paying-your-bill — S391 Payment Difficulties and Debt Recovery Authorisations <p>The Corporation has developed the procedure on Payment Difficulties and Debt Recovery Authorizations, which under Clause 5 states: <i>customers who are unable to pay their accounts are encouraged to engage with us to arrange an alternative method of payment.</i></p> <p>While reviewing the <i>Payment Difficulties and Debt Recovery Authorizations</i> procedure, we observed that, the Corporation has different payment arrangement types such as Statement Payment Arrangement-Interest Exempt, Financial Hardship arrangements which covers Start Over and Water Assist Program.</p> <p>Further, <i>Clause 5.2.1 on Payment Difficulties and Debt Recovery Authorization on standard payment arrangement states: Interest Exempt allows a payment of a charge after the due date and prevents further interest charges from accruing on overdue balance.</i></p> <p>Moreover, the website also contains the details under the heading Help with paying your bills. The list of details found in website are as follows:</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> – Get more time to pay – Make smaller payments to help you manage your bills – Small automatic payments with direct debit – Flexible payment arrangements- All payment arrangements are interest free. <p>We sampled 20 accounts and did not find any breaches.</p> <p>Recommendations</p> <p>Not Applicable</p>		
125	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clauses 29(1) & (2)</p> <p>OL 16: Clauses 4.1.1 and Schedule 3, clause 1.1.1</p> <p>OL 17: Clauses 4.1.1 and Schedule 3, clause 1.1.1</p> <p>The licensee must have a written policy in relation to financial hardship that is approved by the ERA</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Team Leader Policy & Compliance – Specialist Customer Assurance – Lead Financial Support <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – PCY304 Financial Hardship Policy; and – Financial hardship Corporation’s website – https://www.watercorporation.com.au/About-us/Our-commitments/Financial-hardship <p>The ERA has approved <i>2018 PCY 304 Financial Hardship Policy</i>. The licensee has reviewed PCY 304 and found no changes in the document and issued <i>PCY 394 Financial Hardship Policy 2022</i>.</p> <p>No issues identified.</p>	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			Recommendations Not Applicable		
126	Not used				
126A	Water Services Code of Conduct (Customer Service Standards) 2018 Clauses 29(3) OL 16: Clause 4.1.1 OL 17: Clause 4.1.1 Unless the ERA approves otherwise, the licensee's financial hardship policy must comply with the ERA's guidelines (if any) in relation to financial hardship policies.	3	The following personnel were interviewed: <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Lead Financial Support The following documents were reviewed: <ul style="list-style-type: none"> — Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(3) — Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(4) — PCY304 Financial Hardship Policy/58553081 — ERA Hardship Policy Guidelines — Financial Hardship Policy PCY304 - Process for Review and Updating/58585594 https://www.watercorporation.com.au/About-us/Our-commitments/Financial-hardship <i>Section 29(3)-(4)</i> requires the Corporation to comply with the ERA's guidelines (in any) in relation to financial hardship policy. ERA also needs to approve the policy	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>made by Corporation regarding financial hardship. Any amendment to the policy also needs to be approved by ERA.</p> <p>We obtained a copy of the financial hardship policy of the Corporation and checked whether it complied with ERA guidelines.</p> <p>The Corporation has <i>PCY304 Financial Hardship Policy</i> had undergone review and was approved in December 2018.</p> <p>Following internal review being carried out in January 2022, the re-published document had no further changes to the policy, and thus did not require approval to be sought from the ERA. PCY304 was made available on the Corporation's external website.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
126B	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(4)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>Unless the ERA approves otherwise, amendments to the licensee's financial hardship policy must be approved by the ERA</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Lead Financial Support <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(3) — Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(4) 	A	N/R

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	and comply with the ERA's guidelines (if any) in relation to financial hardship policies.		<ul style="list-style-type: none"> – PCY304 Financial Hardship Policy/58553081 – ERA Hardship Policy Guidelines – Financial Hardship Policy PCY304 - Process for Review and Updating/58585594 https://www.watercorporation.com.au/About-us/Our-commitments/Financial-hardship <p><i>Section 29(3)-(4)</i> requires the Corporation to comply with the ERA's guidelines (in any) in relation to financial hardship policy. ERA also needs to approve the policy made by Corporation regarding financial hardship. Any amendment to the policy also needs to be approved by ERA.</p> <p>We obtained a copy of the financial hardship policy of the Corporation and checked whether it complied with ERA guidelines.</p> <p>The Corporation has PCY304 Financial Hardship Policy in place, which had undergone review and was approved in December 2018.</p> <p>Following internal review being carried out in January 2022, the re-published document had no further changes to the policy, and thus did not require approval to be sought from the ERA. PCY304 was made available on the Corporation's external website.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
127	Not applicable to the Water Corporation				

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
128	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(6)</p> <p>OL 16: Clause 4.1.1 OL 17: Clause 4.1.1</p> <p>The licensee's financial hardship policy must be available on the licensee's website and a hardcopy provided to a customer upon request at no charge.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Lead Financial Support — Specialist Customer Assurance <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — PCY 304 Financial Hardship Policy — Financial Hardship Policy PCY304 - Process for Review and Updating — Financial hardship - Water Corporation external website - Our Commitments <p>PCY 304 was reviewed and approved by the ERA in December 2018. The approved version of this policy is on the external Corporation's website.</p> <p>An internal review was carried out in January 2022. No changes were made to the policy so the re-published version in Cordocs is January 2022. Both documents have the same content. As this is not a required review by ERA, no approvals were sought.</p> <p>The next review by the ERA is December 2023.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>	NP	1
129	Not used				

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
129A	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(7)</p> <p>OL 16: Clauses 4.1.1</p> <p>OL 17: Clauses 4.1.1</p> <p>The licensee must review its financial hardship policy at least once in every 5-year period.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Team Leader Policy & Compliance – Lead Financial Support – Specialist Customer Assurance <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – PCY 304 Financial Hardship Policy – Financial Hardship Policy PCY304 - Process for Review and Updating – Financial hardship - Water Corporation external website - Our Commitments <p>PCY 304 was reviewed and approved by the ERA in December 2018. The approved version of this policy is on the external Corporation's website.</p>	NP	N/R
129B	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(8)</p> <p>OL 16: Clauses 4.1.1</p> <p>OL 17: Clauses 4.1.1</p> <p>The licensee must review its financial hardship policy if directed to do so by the ERA.</p>	4	<p>The Corporation's Financial Hardship Policy was appropriately reviewed in consultation with WACOSS and other relevant organisations and approved by the ERA in accordance with the requirements of Clause 29 of the Code.</p> <p>An internal review was carried out in January 2022. No changes were made to the policy so the re-published version in Cordocs is January 2022. Both documents have the same content. As this is not a required review by ERA no approvals were sought.</p> <p>The next review by the ERA is December 2023.</p> <p>We confirmed during the audit scope, the ERA did not direct the Corporation to review its financial hardship policy.</p> <p>No issues identified.</p>	NP	N/R

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			Recommendation		
129C	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(9)</p> <p>OL 16: Clauses 4.1.1</p> <p>OL 17: Clauses 4.1.1</p> <p>The licensee must consult with relevant consumer organisations when formulating or reviewing its financial hardship policy.</p>	4	Not Applicable	NP	N/R
130	Not used				
130A	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(2)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must advise a customer who has been assessed as experiencing financial hardship that they have</p>	2	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy and Compliance — Specialist Customer Assurance — Lead Financial Support <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — PCY 304 Financial Hardship Policy; — https://www.watercorporation.com.au/About-us/Our-commitments/Financial-hardship 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>a right to pay the bill under an interest-free and fee-free payment plan or other arrangement under which the customer is given more time to pay the bill or arrears, and the licensee must offer to enter into an appropriate plan or arrangement with the customer.</p>		<ul style="list-style-type: none"> – https://www.watercorporation.com.au/Help-and-advice/Bill-and-account/Billing/Help-with-paying-your-bill – S391 Payment Difficulties and Debt Recovery Authorisations. – Establishing Payment Arrangements – Financial Support work instruction <p>Through discussions and review, we noted that the Corporation allows for the following:</p> <ul style="list-style-type: none"> – Reducing the amount owed by the customer through the “Water Assist” program. – Auto renegotiation process is used to review and revise how a customer is paying a bill. – Written information to a customer is available on the Corporation’s website under “Need help with your bill”, “Concessions”, “Time Assist”, “Water Assist”, “Hardship Utility Grant Scheme”, “Other Options”; and – Under the financial hardship policy, the Corporation does not charge any fees or interest as part of the extension and payment plan. <p>We reviewed a sample of 20 accounts where the customers were identified as being under financial hardship and noted that:</p> <ul style="list-style-type: none"> – The customers were assessed appropriately as experiencing financial hardship. – Customers can pay a bill interest-free and fee-free or other arrangement under which the customer is given more time to pay the bill or pay the arrears; and 		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> — The Corporation assists customers through the Water Assist program, which is a regular and — Interest-free payment where the Corporation matches any payments made by the customer. <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
130B	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(3)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>When formulating a payment plan or other arrangement for a customer that the licensee has assessed as experiencing financial hardship, the licensee must take the customer's capacity to pay the bill into account.</p> <p>In the case of a bill for usage, the licensee must also take into</p>	2	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy and Compliance — Specialist Customer Assurance — Lead Financial Support <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — PCY 304 Financial Hardship Policy; — https://www.watercorporation.com.au/About-us/Our-commitments/Financial-hardship — https://www.watercorporation.com.au/Help-and-advice/Bill-and-account/Billing/Help-with-paying-your-bill — S391 Payment Difficulties and Debt Recovery Authorisations. — Establishing Payment Arrangements — Financial Support work instruction 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>account how much water has been supplied or wastewater has been discharged in previous billing periods.</p>		<p>Through discussions and review, we noted that the Corporation allows for the following:</p> <ul style="list-style-type: none"> — Reducing the amount owed by the customer through the “Water Assist” program. — Auto renegotiation process is used to review and revise how a customer is paying a bill. — Written information to a customer is available on the Corporation’s website under “Need help with your bill”, “Concessions”, “Time Assist”, “Water Assist”, “Hardship Utility Grant Scheme”, “Other Options”; and — Under the financial hardship policy, the corporation doesn’t charge any fees or interest as part of the extension and payment plan. <p>We reviewed a sample of 20 accounts where the customers were identified as being under financial hardship and noted that:</p> <ul style="list-style-type: none"> — The customers were assessed appropriately as experiencing financial hardship by addressing the customer’s capacity to pay the bill into account. — Customers can pay a bill interest-free and fee-free or other arrangement under which the customer is given more time to pay the bill or pay the arrears. — The Corporation assists customers through the Water Assist program, which is a regular. — Interest-free payment where the Corporation matches any payments made by the customer; and — In the case of a bill for usage, the Corporation used as a metric how much water has been supplied or wastewater has been discharged in previous billing periods. 		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			No issues identified. Recommendations Not Applicable		
131	Not used				
131A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(4)(a) OL 16: Clause 4.1.1 OL 17: Clause 4.1.1 The licensee must consider reducing the amount owing by the customer.	3	The following personnel was interviewed: <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Lead Financial Support — Lead Operations The following documents were reviewed: <ul style="list-style-type: none"> — PCY304 Financial Hardship Policy/58553081 — S391 Payment Difficulties and Debt Recovery Authorisations. — Financial Support Work Instruction Water Assist Program. — Screenshots from Guru — https://www.watercorporation.com.au/Help-and-advice/Bill-and-account/Billing/Help-with-paying-your-bill — https://www.watercorporation.com.au/About-us/Our-commitments/Customer-and-service-commitments The Corporation has issued a financial hardship policy for water services where the Corporation can reduce the debt if the customer has financial difficulties.	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>According to <i>S391 Payment Difficulties and Debt Recovery Authorizations</i>, there is the arrangement for standard payment and financial hardship arrangement. Standard payment arrangement deals with interest exemption whereas financial hardship arrangement deals with water assist program and start over financial hardship.</p> <p>Appendix 1 of S391, provides the authority who can approve the water assist and start over.</p> <p>Further reviewing the Corporation’s website indicates that:</p> <ul style="list-style-type: none"> — The Corporation has written information on its website about the “Need help with your bill”, “Concessions’, “Time Assist’, Water Assist”, “Hardship Utility Grant Scheme”, and “Other Options; and — The Corporation has written information on its website about the payment plans, arrangements, and other assistance that it has available to customers for the purpose of experiencing financial difficulties and financial hardship. <p>We further reviewed a screenshot from “Guru” as well as from the Corporation website and determined that there are appropriate controls evidenced by the following:</p> <ul style="list-style-type: none"> — Customers can pay a bill interest-free and fee-free or another arrangement under which the customer is given more time to pay the bill or pay the arrears; — The Corporation assists customers through the Water Assist program, which is a regular; and — Interest-free payment where the Corporation matches any payments made by the customer. 		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Additionally, the section calls Debt Reduction and Collection in the Financial Hardship Policy states the following:</p> <p><i>“If you are experiencing financial hardship, we will consider reducing the amount you owe to us. In addition, we will not commence or continue proceedings to recover your debt:</i></p> <ul style="list-style-type: none"> <i>— while we are assessing if you are experiencing financial hardship or payment difficulties</i> <i>— if you are complying with your payment plan or another arrangement you have with us.</i> <p><i>If you do not comply with your payment plan or other arrangements, we may commence debt recovery proceedings. When collecting your debt, we will comply with Part 2 of the Australian Competition and Consumer Commission’s (ACCC) debt collection guidelines for collectors and creditors”.</i></p> <p>Our sample test confirmed that the Corporation’s Financial Support team assessed customers who requested a review of their payment plan because they could not meet the financial obligation with the previous payment plan. In the instances tested, the Corporation offered to enter an appropriate plan or arrangement with financial relief by reducing the fortnightly payment plan</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
131B	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(4)(b)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must review, upon request, how a customer is paying a bill under clause 30(2) and (3) and revise the payment plan or arrangement if the review indicates the customer is unable to meet the obligations.</p>	3	<p>The following personnel was interviewed:</p> <ul style="list-style-type: none"> – Team Leader Policy & Compliance – Specialist Customer Assurance – Lead Financial Support – Lead Operations <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – PCY304 Financial Hardship Policy/58553081 – S391 Payment Difficulties and Debt Recovery Authorisations. – Financial Support Work Instruction Water Assist Program. – Screenshots from Guru – https://www.watercorporation.com.au/Help-and-advice/Bill-and-account/Billing/Help-with-paying-your-bill – https://www.watercorporation.com.au/About-us/Our-commitments/Customer-and-service-commitments <p>The Corporation has issued a financial hardship policy for water services where the corporation can reduce the debt if the customer has financial difficulties. According to <i>S391 Payment Difficulties and Debt Recovery Authorizations</i>, there is the arrangement for standard payment and financial hardship arrangement. Standard payment arrangement deals with interest exemption whereas financial hardship arrangement deals with water assist program and start over financial hardship.</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p><i>Appendix 1 of S391</i>, provides the authority who can approve the water assist and start over.</p> <p>Further reviewing the Corporation’s website indicates that:</p> <ul style="list-style-type: none"> – The Corporation has written information on its website about the “Need help with your bill”, “Concessions’, “Time Assist’, Water Assist”, “Hardship Utility Grant Scheme”, and “Other Options. – The Corporation has written information on its website about the payment plans, arrangements, and other assistance that it has available to customers for the purpose of experiencing financial difficulties and financial hardship. <p>We further reviewed a screenshot from “Guru” as well as from the Corporation website and determined that there are appropriate controls evidenced by the following:</p> <ul style="list-style-type: none"> – Customers can pay a bill interest-free and fee-free or another arrangement under which the customer is given more time to pay the bill or pay the arrears; and – The Corporation assists customers through the Water Assist program, which is a regular; and – Interest-free payment where the Corporation matches any payments made by the customer. <p>Furthermore, under the payment policy, the Corporation informs customers that upon request, a payment plan will be reviewed and revised where appropriate. If the Corporation’s review outcomes indicate an inability to meet the obligations under the plan, the payment plan will be revised.</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Our sample test confirmed that the Corporation's Financial Support team assessed customers who requested a review of their payment plan because they could not meet the financial obligation with the previous payment plan. In the instances tested, the Corporation offered to enter an appropriate plan or arrangement with financial relief by reducing the fortnightly payment plan.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
131C	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(4)(c)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must provide the specified written information to a customer</p>	3	<p>The following personnel was interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Lead Financial Support — Lead Operations <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — PCY304 Financial Hardship Policy/58553081 — S391 Payment Difficulties and Debt Recovery Authorisations. — Financial Support Work Instruction Water Assist Program. — Screenshots from Guru — https://www.watercorporation.com.au/Help-and-advice/Bill-and-account/Billing/Help-with-paying-your-bill — https://www.watercorporation.com.au/About-us/Our-commitments/Customer-and-service-commitments 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>The Corporation has issued a financial hardship policy for water services where the corporation can reduce the debt if the customer has financial difficulties. According to <i>S391 Payment Difficulties and Debt Recovery Authorizations</i>, there is the arrangement for standard payment and financial hardship arrangement. Standard payment arrangement deals with interest exemption whereas financial hardship arrangement deals with water assist program and start over financial hardship.</p> <p><i>Appendix 1 of S391</i>, provides the authority who can approve the water assist and start over.</p> <p>Further reviewing the Corporation’s website indicates that:</p> <ul style="list-style-type: none"> — The Corporation has written information on its website about the “Need help with your bill”, “Concessions’, “Time Assist’, Water Assist”, “Hardship Utility Grant Scheme”, and “Other Options. — The Corporation has written information on its website about the payment plans, arrangements, and other assistance that it has available to customers for the purpose of experiencing financial difficulties and financial hardship. <p>We further reviewed a screenshot from the guru as well as from the Corporation website and determined that there are appropriate controls evidenced by the following:</p> <ul style="list-style-type: none"> — Customers can pay a bill interest-free and fee-free or another arrangement under which the customer is given more time to pay the bill or pay the arrears; and — The Corporation assists customers through the Water Assist program, which is a regular; and 		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>— Interest-free payment where the Corporation matches any payments made by the customer.</p> <p>Our sample test confirmed that the Corporation's Financial Support team assessed customers who requested a review of their payment plan because they could not meet the financial obligation with the previous payment plan. Whenever customers have been assessed under financial hardship and had an outcome of their financial plan showing an inability to meet the obligations under the plan, written information is provided to better assist those who need the most by:</p> <ul style="list-style-type: none"> (i) redirecting the bill free of charge under clause 27; and (ii) Showing the bill payment methods provided by the Corporation; and (iii) Guiding by assessing whether the customer can apply for concessions to which the customer may be entitled; and (iv) seeking independent financial counselling or seeking advice from relevant consumer organisations; and (v) applying for any other financial assistance to which the customer may be entitled including from Government-funded grant schemes. <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
132	Not used				

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
133	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clauses 31(4) & (5)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must have written information regarding the payment schemes and other assistance that is available to customers. The information must be available on the licensee's website and a hardcopy provided to a customer upon request at no charge.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Lead Financial Support — Specialist Customer Assurance — Lead Operations <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — PCY 304 Financial Hardship Policy — Customer & service commitments – (external webpage) — S391 Payment Difficulties and Debt Recovery Authorisations/ — https://guru.livepro.com.au/openaccess/article/526 – (internal webpage) — https://www.watercorporation.com.au/Help-and-advice/Bill-and-account/Rebates-and-discounts/Concession-rebates-in-more-detail – (external webpage) — Financial Support work instruction <p>Through discussions and review of relevant policy, instructions, standards, external Corporation's website that during the audit period, the Corporation had written information about payment schemes and other assistance that is available for customers experiencing payment difficulties and financial hardship.</p> <p>We also confirmed that the Corporation had processes in place to provide customers information in hardcopy format upon request, at no charge.</p> <p>No issues identified.</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Recommendations</p> <p>Not Applicable</p>		
133A	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clauses 32</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must not charge interest or fees for late payment of a bill by a customer in the specified circumstances.</p>	2	<p>The following personnel were interviewed</p> <ul style="list-style-type: none"> – Team Leader Policy & Compliance – Specialist Customer Assurance – Lead Financial Support – Lead Operations <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – S391 Payment Difficulties and Debt Recovery Authorisations #58556409 – S326 Recovery of Overdue Debt #58535638 – Financial Support Work Instruction #59062163 – PCY304 Financial Hardship Policy/website – S310 Interest Charges on Overdue Amounts #58489404 – Establishing Payment Arrangements #58528957 <p>Through discussions with the key stakeholders, review of procedures, and work instructions, we observed that the Corporation have procedures that outline the requirement to not charge interest or fees for late payment of a bill to customers assessed under financial hardship or made any complaint related to non-payment of the bill until it is solved.</p> <p>The Corporation reported this obligation in the 2020/21 Annual Compliance Report as non-compliant. A subsequent investigation found that 6 customers had been assessed as being in financial hardship but had been charged interest, and the</p>	A	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>affected customers' accounts were adjusted on 6 July 2020 to remove any interest charges.</p> <p>Section 5.1.4 of the Corporation's procedures <i>S391 Payment Difficulties and Debt Recovery Authorisations</i> states:</p> <p><i>"All payment arrangements entered into with a customer both residential and non-residential will be interest exempt. No late fee will be charged".</i></p> <p>We randomly sampled 105 accounts and found that three (3) accounts had accrued interest or late payment fees for customers assessed under financial hardship or made any complaint related to non-payment of the bill until it was solved. Details are as follows:</p> <ul style="list-style-type: none"> — Customer Account No. [REDACTED] was assessed under financial hardship in September 2020; however, the bill issued on 21 January 2021, had accrued an interest amount of \$4.41 based on previous overdue. — Customer Account No. [REDACTED] was assessed under financial hardship in January 2020; however, the customer had been charged interest for late payment on multiple instances as follows: <ul style="list-style-type: none"> – Bill issued on 27 March 2020, the Corporation charged an interest amount of \$3.32 based on previous overdue. – Bill issued on 27 May 2020, the Corporation charged an interest amount of \$7.15 based on previous overdue. – Bill issued on 29 July 2020, the Corporation charged an interest amount of \$9.45 based on previous overdue amounts. However, the amount was credited back to the account on 04 August 2020. 		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> – On 01 September 2020, a payment arrangement was set up, which billed \$6.10 interest. This amount was credited back to the account on 1 October 2020. – Customer Account No. [REDACTED] was assessed under financial hardship in July 2020; however, the customer had been charged interest for late payment in multiple instances as follows: <ul style="list-style-type: none"> – Bill issued on 18 August 2020, the Corporation had charged an interest amount of \$1.61 based on previous overdue. – Bill issued on 17 June 2021, the Corporation had charged interest of \$4.38 based on previous overdue. <p>The Corporation confirmed that it previously had a manual system to follow up and ensure no interest would be charged for customers assessed as financial hardship. A rule in the billing system (Grange) was implemented last year to ensure no interest is charged in these circumstances.</p> <p>However, our testing identified this issue occurred <u>after</u> the billing rule in Grange had been introduced.</p> <p>Recommendation - Reference No 13/2022</p> <p>We recommend the Corporation periodically test the Grange rule; and perform data analytics to detect instances of interests being charged on accounts under financial hardship.</p>		
134	Water Services Code of Conduct (Customer Service Standards) 2018 Clauses 33(1)(a)-(c) OL 16: Clause 4.1.1	3	The following personnel were interviewed: <ul style="list-style-type: none"> – Team Leader Policy & Compliance – Specialist Customer Assurance – Lead Financial Support 	B	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>OL 17: Clause 4.1.1</p> <p>The licensee must not commence or continue proceedings to recover a debt from a customer if the customer is complying with a payment plan or other arrangement, is being assessed for payment difficulties or is being assessed for financial hardship.</p>		<ul style="list-style-type: none"> – Lead Operations <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – PCY304 Financial Hardship Policy – S391 Payment Difficulties and Debt Recovery Authorisations – S326 Recovery of Overdue Debt – Establishing Payment Arrangements – Recovery Of Property Debt – Recovery of Non-Property – Recovery Of Property Debt <p>Clause 33(1) (a)-(c) requires the Corporation not to commence or continue proceedings to recover a debt from a customer if the following specified circumstances applies:</p> <p><i>(1) A licensee must not commence or continue proceedings to recover a debt from a customer if –</i></p> <ul style="list-style-type: none"> <i>(a) the customer is complying with a payment plan or other arrangement entered into under clause 28(2) or 30(2); or</i> <i>(b) the licensee is assessing whether or not the customer is experiencing payment difficulties; or</i> <i>(c) the licensee is assessing, under its financial hardship policy, whether or not the customer is experiencing financial hardship.</i> 		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>The Corporation has developed the procedure <i>on Recovery of Property Debt Legal Action</i>. Clause 1.2.1 <i>Issue Claim</i> states: <i>to review the circumstances surrounding the charges to ensure the Corporation has the ability to prove the claim and to check if the customer has been identified as 'Financial Hardship' and consider alternative action including referral to a financial counsellor.</i></p> <p>We reviewed 29 accounts and found two (2) instances where the Corporation continued proceedings to recover a debt from a customer when the customer was experiencing financial hardship.</p> <p>We observed the following breaches:</p> <ul style="list-style-type: none"> — Account ██████████ was flagged for financial hardship with a latest hardship date from 23/10/2020. The account was sent to Mercantile 29/12/2020 in error as the customer was approved for financial hardship assistance prior to being referred to Credit Solutions (Mercantile). The file was returned and closed on 19/03/2021. — Account ██████████ was flagged for financial hardship with a latest hardship date from 19/01/2021. The account was sent to Mercantile on 28/04/2021 and recalled from Mercantile on 4/05/2021 displayed in Grange screen-prints. <p>Recommendation - Reference No 14/2022</p> <p>We recommend that the Corporation implement appropriate preventative controls to ensure that debt recovery actions are not initiated against customers who are experiencing financial hardship or have been assessed for payment difficulties.</p>		
134A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 33(1)(d)-(e) OL 16: Clause 4.1.1	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Lead Financial Support 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>OL 17: Clause 4.1.1</p> <p>The licensee must not commence or continue proceedings to recover a debt from a customer if a complaint made by the customer to the licensee or water services ombudsman, which directly relates to the water service charge to which the debt relates, is not resolved by the licensee (or is not determined or is upheld by the ombudsman).</p>		<ul style="list-style-type: none"> – Lead Operations <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – PCY304 Financial Hardship Policy – S391 Payment Difficulties and Debt Recovery Authorisations – S326 Recovery of Overdue Debt – Establishing Payment Arrangements – Recovery Of Property Debt – Recovery of Non-Property – Recovery Of Property Debt <p><i>Clause 33(1) (a)-(e)</i> requires the Corporation not to commence or continue proceedings to recover a debt from a customer if the following specified circumstances applies:</p> <ol style="list-style-type: none"> 1) <i>A licensee must not commence or continue proceedings to recover a debt from a customer if –</i> <ol style="list-style-type: none"> (d) <i>a complaint made by the customer to the licensee that directly relates to the water service charge to which the debt relates is not resolved; or</i> (e) <i>a complaint made by the customer to the water services ombudsman that directly relates to the water service charge to which the debt relates is not determined or is upheld by the water services ombudsman.</i> <p>The Corporation has developed the procedure on <i>Recovery of Property Debt Legal Action</i>, which under <i>Clause 1.2.1 Issue Claim</i>, states: <i>to review the</i></p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p><i>circumstances surrounding the charges to ensure the Corporation has the ability to prove the claim and to check if the customer has been identified as 'Financial Hardship' and consider alternative action including referral to a financial counsellor.</i></p> <p>We reviewed 29 accounts and found no breaches.</p> <p>Recommendations</p> <p>Not Applicable</p>		
135	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clauses 40(1)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If the licensee has cut off or reduced the rate of flow of water to land under section 95(1)(b) of the Act, the licensee must restore the supply of water if the amount owing is paid, or if the customer enters into a payment arrangement for the amount owing that is satisfactory to the licensee.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Lead Operations <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Recovery of Property Debt Restrictions — Restoring a Water Service/58530680 — Establishing Payment Arrangements — Sample of accounts on Grange. <p>The Corporation has developed a procedure for restoration of water services. According to <i>Restoring a Water Service, Section 1.2</i>, the Corporation has adopted the following measures in restoring the water:</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> — Restoration of the water supply to a property will be undertaken when the charges have been paid or. — Restoration of the water supply to a property will be undertaken when the customer enters into a satisfactory arrangement for payment of the amount owing. — Properties that remain restricted for 14 days will automatically have their water supply reinstated to the property after 14 days. At this point, the water service is to be restored to the property and legal action initiated to recover the outstanding charges. See Work Instructions, Recovery of Secured Debt – Legal Action – Recovery of Property Debt - Restrictions. <p>We reviewed 13 accounts and did not detect any breaches regarding the restoration of water.</p> <p>Recommendations</p> <p>Not Applicable</p>		
136	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 40(2)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>If the licensee has, under section 95(1)(a), (c), (d) or (e) of the Act, cut off or reduced the flow of water, the licensee must restore</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Lead Operations <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Recovery of Property Debt Restrictions — Restoring a Water Service/58530680 — Establishing Payment Arrangements 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	the supply of water if the licensee is satisfied that the reason for the disconnection or reduction no longer applies.		<ul style="list-style-type: none"> – Sample of accounts on Grange. <p>The Corporation has developed a written procedure for restoration of water services. According to <i>Restoring a Water Service, Section 1.2</i>, the Corporation has adopted the following measures in restoring the water:</p> <ul style="list-style-type: none"> – Restoration of the water supply to a property will be undertaken when the charges have been paid or. – Restoration of the water supply to a property will be undertaken when the customer enters into a satisfactory arrangement for payment of the amount owing. – Properties that remain restricted for 14 days will automatically have their water supply reinstated to the property after 14 days. At this point, the water service is to be restored to the property and legal action initiated to recover the outstanding charges. See Work Instructions, Recovery of Secured Debt – Legal Action – Recovery of Property Debt - Restrictions. <p>We reviewed 13 accounts and did not detect any breaches regarding the restoration of water.</p> <p>Recommendations</p> <p>Not Applicable</p>		
137	Not used				
137A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 36(1)	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Team Leader Policy & Compliance – Specialist Customer Assurance 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must not start a water supply restriction unless the licensee has given the customer a reminder notice (that includes the information specified in clause 35), the water service charge has still not been paid in full, and the licensee has given the customer a restriction notice.</p>		<ul style="list-style-type: none"> — Lead Operations <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Recovery of Property Debt Restrictions — Establishing Payment Arrangements — https://www.watercorporation.com.au/About-us/Our-commitments/Customer-and-service-commitments — Sample of accounts on Grange. <p>Through review of the <i>Recovery of Property Debt Restrictions</i>, the Corporation cannot restrict the water flow to a property if:</p> <ul style="list-style-type: none"> — The occupier is not the owner; — Against customers that are identified as being in financial hardship unless they refuse to engage with the Corporation; and — A complaint made by the customer in relation to water service charges is not resolved. <p>Prior to this action commencing and once an account becomes overdue, Customer Financial Solutions need to issue the following notices, generated in Grange:</p> <ul style="list-style-type: none"> — Reachtel SMS sent 7 days after the due date — Reachtel SMS/Email issued 14 days after the due date — Reachtel Voice Call made 21 days after the due date — Reminder Notice issued 24 days after the due date 		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> — Intention to Restrict (ITR) Notice issued 31 days after the due date <p>We reviewed 335 accounts and screenshots from Grange and did not detect any breaches regarding reminder notices. We observed that the Corporation did not start a water supply restriction unless:</p> <ol style="list-style-type: none"> a. the Corporation has given the customer a reminder notice under clause 35; and b. the water service charge (including any interest or fees charged for late payment) has still not been paid in full; and c. the Corporation has given written notice of the proposed water supply restriction (a restriction notice) to the customer. <p>Recommendations</p> <p>Not Applicable</p>		
137B	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 36(2)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must not give a customer a restriction notice less than 7 days before the day on which the water supply restriction is proposed to start.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Lead Operations <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Recovery of Property Debt Restrictions — Establishing Payment Arrangements — https://www.watercorporation.com.au/About-us/Our-commitments/Customer-and-service-commitments — Sample of accounts on Grange. 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Through review of the <i>Recovery of Property Debt Restrictions</i>, the Corporation cannot restrict the water flow to a property if:</p> <ul style="list-style-type: none"> — The occupier is not the owner. — Against customers that are identified as being in financial hardship unless they refuse to engage with the Corporation; and — A complaint made by the customer in relation to water service charges is not resolved. <p>Prior to this action commencing and once an account becomes overdue, Customer Financial Solutions need to issue the following notices, generated in Grange:</p> <ul style="list-style-type: none"> — Reachtel SMS sent 7 days after the due date — Reachtel SMS/Email issued 14 days after the due date — Reachtel Voice Call made 21 days after the due date — Reminder Notice issued 24 days after the due date — Intention to Restrict (ITR) Notice issued 31 days after the due date <p>In reviewing 335 sample accounts, we did not detect any instances of breaching the condition of 7 days' notice period.</p> <p>No issues identified.</p> <p>Recommendation</p> <p>Not Applicable</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
137C	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 36(3)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The restriction notice must include the specified information.</p>	2	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Team Leader Policy & Compliance – Specialist Customer Assurance – Lead Operations <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – Recovery of Property Debt Restrictions; and – Customer Bill Format Procedure – Sample of Restriction Notice <p>Section 36(3) requires the following information on a restriction notice:</p> <ul style="list-style-type: none"> (a) explain the reason for the proposed water supply restriction; and (b) advise the customer of the earliest date on which the water supply restriction may start; and (c) inform the customer of the existence and operation of the licensee’s complaints procedure mentioned in clause 46; and (d) inform the customer of the procedures available to the customer under the Act as to applying to the water services ombudsman under a scheme approved under section 65 and provide a Freecall telephone number for the office of the water services ombudsman; and (e) inform the customer of the applicable procedures, including any costs, for the restoration of the water supply if the water supply restriction is started. <p>In reviewing the information on the restriction notice with the specified information required by the Code, we determine the requirement in clause 36(3)(c) has not been met.</p>	B	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>As abovementioned, <i>Clause 36(3)(c)</i> states that the customer should be informed about the existence and operation of the licensee's complaints procedure mentioned in <i>Clause 46</i>.</p> <p>To satisfy <i>Clause 36(3)(c)</i>, the following information is provided on the Corporation's restriction notice:</p> <div data-bbox="817 587 1747 726" style="background-color: #e0e0e0; padding: 5px;"> <p>OUR COMMITMENT TO YOU We are committed to resolving issues as quickly as possible. If you wish to make a complaint or request a review of your bill, visit watercorporation.com.au/contact, or call 13 13 85. If you are not satisfied with the resolution, you may contact the Energy and Water Ombudsman on 1800 754 004. For information on our commitments to you, visit watercorporation.com.au.</p> </div> <p>We have reviewed the contents at: https://www.watercorporation.com.au/contact ; and concluded that it does not provide information about procedure for dealing with complaints about water services pursuant to <i>Clause 46</i>.</p> <p>The procedures for dealing with complaints about water services can be found at:</p> <p>https://www.watercorporation.com.au/About-us/Our-commitments/Customer-and-service-commitments/Customer-complaint-resolution .</p> <p>By not providing the correct reference link on the restriction notice for procedure for dealing with complaints about water services, the Corporation has not achieved compliance with <i>Clause 36(3)(c)</i>.</p> <p>Recommendation - Reference No 15/2022</p> <p>We recommend that the Corporation ensure the notice includes specific reference to information about the existence and operation of the complaint procedure.</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
138	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 37(1)(a)-(e) & (h).</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must not start a water supply restriction if the specified circumstances apply.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Lead Operations <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Recovery of Property Debt Restrictions — S391 Payment Difficulties and Debt Recovery Authorisations — Sample of accounts <p>Section 37(1) (a)-(e) & h requires the Corporation must not start a water supply restriction if the following specified circumstances apply:</p> <p>(1) A licensee must not start a water supply restriction if —</p> <ul style="list-style-type: none"> (a) the amount owing is less than \$200; or (b) the licensee is assessing whether or not the customer is experiencing payment difficulties; or (c) the licensee is assessing, under its financial hardship policy, whether or not the customer is experiencing financial hardship; or (d) the customer is experiencing payment difficulties or financial hardship and is complying with a payment plan or other arrangement under which the customer has been given more time to pay the bill or to pay arrears; or (e) a complaint made by the customer to the licensee that directly relates to the water service charge is not resolved; or (h) the supply of water is to a place occupied by a tenant and the customer is liable to pay the amount owing. 	A	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>The Corporation has developed the procedure on Recovery of Property Debt Restriction, which under clause 1 Action, states: the Corporation cannot take restriction action if the property is tenanted as the owner is liable to pay the amount owing, or subject to other exclusions. The restriction action can only be taken if Field Inspector visit the property and deliver the card.</p> <p>We reviewed 23 accounts and detected one (1) breach that did not comply <i>Clause 37(1)(h)</i> that requires the Corporation not to restrict the water supply if the place is occupied by a tenant and the customer is liable to pay the amount owing.</p> <p>We found the account [REDACTED] was restricted from water supply for the period of 2 hours on 11th October 2021. At the time of restriction, the Corporation was not aware a tenant was occupying the property. There was a tenant relationship that ended 28 February 2020 on this account. Since that date, the bills were mailed to the customer at the property with no payment received. The restriction on 11th October 2021 at 1:15pm generated contact by a real estate agent who informed the property was tenanted by a gentleman. The real estate agent advised the Corporation they did not receive authority to receive the bills on behalf of the owners and that they had only been managing the property since May 2021. They also did not have a forwarding address for the owners. That day the agent got in contact with the owners, who were overseas. The owner e-mailed the Corporation informing that they thought the agent was making payments regularly on their behalf. The owner provided a forwarding address for their mail and entered an arrangement to clear the overdue amount. The meter was unrestricted at 3:15pm the same day.</p> <p>Recommendation</p> <p>A recommendation has not been made as the non-compliance issue was resolved.</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
138A	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 37(1)(f)-(g)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must not start a water supply restriction if the specified circumstances apply.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Lead Operations <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Recovery of Property Debt Restrictions — Processing Entitled Concession Applications — S391 Payment Difficulties and Debt Recovery Authorisations <p>Section 37(1) (f)-(g) requires the Corporation must not start a water supply restriction if the following specified circumstances apply:</p> <p>(1) A licensee must not start a water supply restriction if —</p> <ul style="list-style-type: none"> (a) a complaint made by the customer to the water services ombudsman that directly relates to the water service charge is not determined or is upheld by the water services ombudsman; or (b) the customer has applied for a concession or other financial assistance to which the customer may be entitled and a decision on the application has not yet been made. <p>The Corporation has developed the procedure on <i>Recovery of Property Debt Restriction</i>, which under <i>Clause 1 Action</i>, states: <i>restriction action is not to be taken on customers applying for the concession and restriction action is not to be taken if a complaint has been made by the customer in relation to water service charges is not resolved.</i></p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>We reviewed 335 restriction accounts compared to complaints recorded with the Ombudsman, concession and other financial assistance and did not find any instances where the water supply restriction has started.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
138B	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 38</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must not start a water supply restriction on or during the specified times.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Manager Metering Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — MS002 Work Instruction Metro Field Support – Credit Management Actions #58571230 — Recovery of Property Debt – Restrictions — Samples of accounts <p>Section 38 requires the Corporation must not start a water supply restriction if the following specified circumstances apply:</p> <p>A licensee must not start a water supply restriction —</p> <p>(a) on a Friday, Saturday, Sunday, or public holiday or on the day before a public holiday; or</p>	B	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>(b) on a day on which a total fire ban has effect under the Bush Fires Act 1954 in the area of the State in which the place at which water is supplied to the customer is located; or</p> <p>(c) after 3pm on any day.</p> <p>The Corporation has developed the procedure on <i>Recovery of Property Debt Restriction</i>, which under <i>Clause 1 Action</i>, states: <i>restriction action is not to be taken on a Friday, Saturday, Sunday or public holiday or on a day on which a total fire ban has effect under the Bush or on the day before a public holiday. Restriction action is not to be taken after 3 pm on any day.</i></p> <p>We reviewed 245 accounts and detected one (1) instance that did not comply with Clause 38, which requires the Corporation not to restrict the water supply after 3 pm on any day.</p> <p>We found the account [REDACTED] was restricted from water supply after 3 pm on 5th June 2022. The restriction occurred on 4:00pm. According to the Corporation's investigation, the restriction took place due to an oversight by a new team leader and new staff involved in performing the action.</p> <p>Recommendation - Reference No 16/2022</p> <p>We recommend that the Corporation:</p> <ul style="list-style-type: none"> — Provide further training to relevant staff on the requirement of water supply restriction parameters. — Continue to regularly monitor and report on the restriction requirement. 		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
139	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 39</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must not, under section 95(1)(b) or (2) of the Act, reduce the rate of flow of water to a customer to below 2.3 litres each minute.</p>	2	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Manager Metering Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Recovery of Property Debt Restrictions — Asset Monitoring & System Investigations AMSI-W-143 Testing Flow Control Devices — FCD Testing – Report 568652 – Job 2022-0459 – June 2022 - #138231182 <p>Through discussions and review of the <i>Recovery of Property Debt Restrictions</i>, we observed that the Corporation would not restrict water flow to a property if:</p> <ul style="list-style-type: none"> — The occupier is not the owner; — The customer requires water to operate a life support machine or requires water for a special need; — The Customer is assessed in financial hardship unless they refuse to engage with the Corporation; and — A complaint made by the customer in relation to water service charges is not resolved. <p>Prior to this action commencing and once an account becomes overdue, Customer Financial Solutions will have issued the following notices, generated in Grange:</p> <ul style="list-style-type: none"> — Reachtel SMS sent 7 days after the due date; — Reminder Notice, Reachtel SMS/Email issued 14 days after the due date; — Intention to Restrict (ITR) Notice issued 24 days after the due date; and 	B	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> — Electronic Contact Intention to Restrict issued 7 days after the due date. <p>Thereafter, the “Restriction Action List” in Grange must be updated to:</p> <ul style="list-style-type: none"> — Commercial properties - a briefing note must be submitted seeking approval for the action, in accordance with “<i>S391 Payment Difficulties and Debt Recovery Authorisations</i>”, and after approval has been granted, the Local Council Environmental Health Officer must be notified; — Country Regions - Senior Consultant creates SAP work orders via Grange ‘Leave Restriction Card” and Depot staff to schedule the work orders; and — Metropolitan Regions - The Field Services Coordinator will access the ‘Recovery Action List’ and progress property accounts “Approved Restrict Field Services” to “Leave Restriction Card” to suit their daily scheduling requirements. — Before any restriction action occurs, a Field Services Officer (metropolitan properties) will visit the property and deliver a card advising of the pending action. <p>The Corporation’s work instructions align with <i>Water Services Code of Conduct</i> 38, which states that the Corporation will only restrict the water supply after 3 p.m. on a Friday, Saturday, Sunday public holiday or the day before a public holiday. The Corporation must restore the flow of water if the account has been paid, the customer enters into an arrangement satisfactory to the Corporation and/or if satisfied that the reason for the disconnection or reduction no longer applies.</p> <p>To reduce the rate of flow of water, the Corporation uses an “<i>individual Flow Control Device/s (FCD)</i>”, which will be installed inside the water meter to reduce the flow of water to not less than 2.3 litres per minute. Their reliance is on the manufactured tolerances of the device and that they comply with contractual specifications.</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating																
			<p>The Corporation advised that the “Flow Restriction” device was tested at the Corporation’s meter testing laboratory to perform an internal conformance check. The Corporation’s laboratory is a National Association of Testing Authorities, Australia (NATA) accredited laboratory.</p> <p>The testing of the “Flow Restriction” device was conducted by the Corporation on 30 June 2022. The report shows the Average Measured Flow Rate (l/min) dated 30 June 2022, wherein in seven instances, the rate flow measured was below 2.3 litres each minute when the pressure is at 150 kPa, as shown in the table hereunder:</p> <table border="1" data-bbox="974 703 1420 1078"> <thead> <tr> <th data-bbox="974 703 1151 788">FCD Serial Number / ID</th> <th data-bbox="1151 703 1420 788">Average Measured Flow Rate (l/min)</th> </tr> </thead> <tbody> <tr> <td data-bbox="974 788 1151 831">FCD003</td> <td data-bbox="1151 788 1420 831">2.01</td> </tr> <tr> <td data-bbox="974 831 1151 874">FCD004</td> <td data-bbox="1151 831 1420 874">1.96</td> </tr> <tr> <td data-bbox="974 874 1151 917">FCD006</td> <td data-bbox="1151 874 1420 917">2.02</td> </tr> <tr> <td data-bbox="974 917 1151 960">FCD007</td> <td data-bbox="1151 917 1420 960">2.02</td> </tr> <tr> <td data-bbox="974 960 1151 1003">FCD008</td> <td data-bbox="1151 960 1420 1003">1.96</td> </tr> <tr> <td data-bbox="974 1003 1151 1046">FCD009</td> <td data-bbox="1151 1003 1420 1046">2.01</td> </tr> <tr> <td data-bbox="974 1046 1151 1078">FCD010</td> <td data-bbox="1151 1046 1420 1078">2.01</td> </tr> </tbody> </table> <p>Based on the test results, the flow control device would breach Obligation 139 at 150kPa and meet the requirements at 300kPa. The Corporation does not know at what pressure the flow control device falls below the 2.3l/min threshold. The licence obligation imposes a positive requirement under <i>Section 95(1)(b) or (2) of the Act</i>, the Corporation must not reduce the rate of flow of water to a customer to below 2.3 litres each minute. Testing of the flow control devices currently in use by the Corporation’s own laboratory revealed, when applied, the devices restrict the flow rate to a level below the prescribed threshold at certain level of pressure.</p>	FCD Serial Number / ID	Average Measured Flow Rate (l/min)	FCD003	2.01	FCD004	1.96	FCD006	2.02	FCD007	2.02	FCD008	1.96	FCD009	2.01	FCD010	2.01		
FCD Serial Number / ID	Average Measured Flow Rate (l/min)																				
FCD003	2.01																				
FCD004	1.96																				
FCD006	2.02																				
FCD007	2.02																				
FCD008	1.96																				
FCD009	2.01																				
FCD010	2.01																				

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Our inquiries indicated that the Corporation have restricted customer's water flow rate. When the flow control device has been applied, for safety reasons, the Corporation's Officer does not conduct a test of the flow rate at the property to confirm that it is not less than 2.3 litres per minute. Reliance is placed on the design specification of the flow control device to ensure the flow rate is within the minimum level. As outlined in the laboratory test results of the flow control device, there is some uncertainties if the minimum flow rate would be achieved.</p> <p>Recommendations</p> <p>Not Applicable</p>		
140	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 41(2)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The Water Corporation must restore a water supply to land in the metropolitan region within the specified timeframe unless the licensee and customer expressly agree otherwise.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Manager Metering Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Field Support – Credit Management Actions — Restoration reported data Input <p>Through discussions and a review of the Field Support – Credit Management Actions we noted that the Corporation will carry out restoration to supply services in accordance with the following guidelines:</p> <p>Metro</p> <ul style="list-style-type: none"> — If the restoration event occurs before 3 PM on a business day, restoration of the supply will be within 3 hours. — If the restoration event occurs at any other time, restoration of the supply will be by the next business day; and 	B	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> — Unless the Water Corporation and customer expressly agree otherwise. <p>Restoration of supply is coordinated by the Team Leader Metro Field Support and the Officer Metering Services.</p> <p>Records are saved in Maximo Under individual work order numbers for each property. Work order is stored in Grange in event history.</p> <p>We reviewed 211 accounts and detected two (2) instances that did not comply with the restoration of water supply to land in the metropolitan region.</p> <p>In our testing, we observed the following breaches:</p> <ul style="list-style-type: none"> — The required date to restore a water supply was on 31st December 2021 (Friday) whereas the Corporation has completed the restoration on 4th January 2022. There was a gap of 4 days to restore the service in functional location [REDACTED]. — The required date to restore a water supply was on 29th December 2021 (Wednesday) whereas the Corporation has completed the restoration on 4th January 2022. There was a gap of 6 days to restore the service in functional location [REDACTED]. <p>Recommendation - Reference No 17/2022</p> <p>We recommend that the Corporation:</p> <ul style="list-style-type: none"> — Provide further training to relevant staff on the restoration timeframe requirement. — Continue to regularly monitor and report on the restoration timeframe requirement. 		
141	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 41(3)	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Manager Metering Services 	B	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The Water Corporation must restore a water supply to land outside the metropolitan region within the specified timeframe, unless the licensee and customer expressly agree otherwise.</p>		<p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Field Support – Credit Management Actions — Restoration reported data Input <p>Through discussions and a review of the Field Support – Credit Management Actions we noted that the Corporation will carry out restoration to supply services by following these guidelines:</p> <p>Regional</p> <ul style="list-style-type: none"> — If the restoration event occurs before 3:00 pm on a business day, restoration of the supply will be within the next 2 business days — If the restoration event occurs at any other time, restoration of the supply will be within the next 3 business days <p>Restoration of supply is coordinated by the Team Leader Metro Field Support and the Officer Metering Services (level 3).</p> <p>Records are saved in Maximo Under individual work order numbers for each property. Work order is stored in Grange in event history.</p> <p>We reviewed 84 accounts and detected two (2) breaches that do not comply with the restoration of water supply to land outside the metropolitan region.</p> <p>In our testing, we observed the following breaches:</p> <ul style="list-style-type: none"> — The required date to restore a water supply was on 23rd May 2022 (Monday) whereas the Corporation has completed the restoration on 27th May 2022. There was a gap of 4 days to restore the service in functional location WA001614. 		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> — The required date to restore a water supply was on 24th May 2022 (Tuesday) whereas the Corporation has completed the restoration on 25th May 2022. There was a gap of 1 day to restore the service in functional location WA003067. <p>Recommendation - Reference No 18/2022</p> <p>We recommend that the Corporation:</p> <ul style="list-style-type: none"> — Provide further training to relevant staff on the water supply restoration timeframe requirement. — Continue to regularly monitor and report on the restoration timeframe requirement 		
142	Not applicable for the Corporation				
143	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 41(5)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The Water Corporation must ensure that there is a 90% compliance rate with clauses 41(2) and 41(3) in any 12-month period ending on 30 June.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Manager Metering Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Field Support – Credit Management Actions — Restoration reported data Input — KPI performance recorded in BPR — Operations Analytics 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Through discussions and a review of the Field Support – Credit Management Actions we noted that the Corporation will carry out restoration to supply services by following these guidelines:</p> <p>Metro</p> <ul style="list-style-type: none"> – If the restoration event occurs before 3 PM on a business day, restoration of the supply will be within 3 hours. – If the restoration event occurs at any other time, restoration of the supply will be by the next business day; and – Unless the Water Corporation and customer expressly agree otherwise. <p>Regional</p> <ul style="list-style-type: none"> – If the restoration event occurs before 3:00 pm on a business day, restoration of the supply will be within the next 2 business days – If the restoration event occurs at any other time, restoration of the supply will be within the next 3 business days <p>Restoration of supply is coordinated by the Team Leader Metro Field Support and the Officer Metering Services (level 3).</p> <p>Records are saved in Maximo Under individual work order numbers for each property. Work order is stored in Grange in event history.</p> <p>While going through General Manager Operation Group KPI-June 2022 (In Progress), we notice that the Corporation has achieved the targeted threshold of 90%. The actual flow restoration was as follow:</p> <ul style="list-style-type: none"> – Flow Restoration (Responsiveness) Country Regions YTD was 95.2% – Flow Restoration (Responsiveness) Metro Region YTD was 95% <p>No issues identified.</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Recommendations</p> <p>Not Applicable</p>		
144	Not applicable for the Corporation				
144A	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 43(1)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must give notice of any planned service interruption to each customer that will be affected by the service interruption.</p>	2	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Manager Operations Delivery — Regional Manager, Great Southern — District Work planner UGS — Team leader LGS Wastewater, Drainage and Forestry — Team leader Civil, Lower Great Southern. <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Outage Management Procedure — https://www.watercorporation.com.au/Outages-and-works <p><i>Section 43(1)</i> requires the Corporation to provide the notice of any planned service interruption to each customer that will be affected by the service interruption.</p> <p>The Corporation has developed the <i>Outage Management Procedure</i>, which under <i>Clause 5.5 Customer Engagement and Notification</i>, states: <i>no less than 48 hours' notice to be provided to customer for any planned service interruption.</i></p>	C	N/R

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>In discussion with the Corporation, we observed that the works were planned a couple of weeks earlier and if identified as outage of water, the notification cards are delivered in the letterbox of those affected by outage.</p> <p>The Corporation was using Maximo System for recording the outage plan. Most of the outage plan were recorded and few were not recorded (The Corporation's testing of planned interruptions in 2019 found that 23% of the interruptions were never recorded in the outage management system which raises doubt whether the required notice was given or not).</p> <p>The Maximo system allows the plan to be recorded for less than 48 hours. The system does not contain the detail of customer which would be essential in identifying the notice period provided to the customer.</p> <p>Further, the Corporation does not have the ability to track accurately when, and if, the notifications are delivered. Accordingly, there is no effective control to demonstrate compliance with the obligation.</p> <p>Recommendation - Reference No 19/2022</p> <p>We recommend that the Corporation upgrade its plan outage system along with appropriate control mechanism to track the delivery of the notifications.</p>		
144B	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 43(2)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The notice of any planned service interruption must be</p>	2	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Manager Operations Delivery — Regional Manager, Great Southern — District Work planner UGS — Team leader LGS Wastewater, Drainage and Forestry — Team leader Civil, Lower Great Southern. 	C	NR

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>given within the prescribed timeframes.</p>		<p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Outage Management Procedure — https://www.watercorporation.com.au/Outages-and-works <p><i>Section 43(1)</i> requires the Corporation to provide the notice of any planned service interruption to each customer that will be affected by the service interruption. <i>Section 43(2)</i>, further requires the Corporation to provide following timeframe for notice:</p> <p><i>(2) The notice must be given —</i></p> <p><i>(a) not less than 48 hours before the start of the service interruption; or</i></p> <p><i>(b) if it is not reasonably practicable to comply with paragraph (a), at the earliest practicable time before the start of the service interruption.</i></p> <p>The Corporation has developed the <i>Outage Management Procedure</i>, which under <i>Clause 5.5 Customer Engagement and Notification</i>, states: <i>no less than 48 hours' notice to be provided to customer for any planned service interruption.</i></p> <p>In discussion with the Corporation, we observed that the works were planned a couple of weeks earlier and if identified as outage of water, the notification cards are delivered in the letterbox of those affected by outage.</p> <p>The Corporation was using Maximo System for recording the outage plan. Most of the outage plan were recorded and few were not recorded (The Corporation's testing of planned interruptions in 2019 found that 23% of the interruptions were</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>never recorded in the outage management system which raises doubt whether the required notice was given or not).</p> <p>The Maximo system allows the plan to be recorded for less than 48 hours. The system does not contain the details of customer which would be important to identify if the notice has been within the prescribed period to customer.</p> <p>Further, the Corporation does not have the ability to track accurately when, and if, the notifications are delivered. Accordingly, there is no effective control to demonstrate compliance with the obligation.</p> <p>Recommendation - Reference No 20/2022</p> <p>We recommend that the Corporation upgrade its plan outage system along with appropriate control mechanism to track the delivery of the notifications.</p>		
144C	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 44(1)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must have policies, practices and procedures for dealing with and minimising the impact of a burst, leak or blockage in its water supply works or sewerage works.</p>	2	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Specialist Operations Performance — Manager Operations Analytics & Support <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Standard Work Instruction CSRPIF040 – Clear Sewer Blockage — Standard Work Instruction CWRPIF000 – Repair Burst / Leaking Pipe — Standard Work Instruction CSRPIF050 – Repair Leak Under Pressure — Managing and Responding to Waste Discharge Events Procedure — Wastewater Overflow Response Procedures 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
144D	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 44(2)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The policies, practices and procedures under clause 44(1) must deal with the prescribed matters.</p>	2	<p>The Management of Bursts, leaks, blockages, and spills framework provide the details of planned and unplanned events. In the case of unplanned events, there are guidelines for rectification and remediation of the repair burst/leaking pipe, repair leak under pressure, clear sewer blockage and managing and responding to waste discharge event along with wastewater overflow response procedure.</p> <p>The procedure has been developed to address the impact of disruption to customer through PP045 Minimising Water Service Disruption to Customers and environment through managing and responding to waste discharge events.</p> <p>The Corporation's policies, practices and procedures addressed the following information:</p> <ul style="list-style-type: none"> a) prompt attendance at a site after becoming aware of the existence of a burst, leak or blockage; b) the action or actions that must be taken to rectify a burst, leak or blockage, taking into account the potential or actual impact on – <ul style="list-style-type: none"> (i) Customers; and (ii) Other persons or entities affected by the burst, leak or blockage; and (iii) Property; and (iv) The environment; c) the action or actions that must be taken to ensure that, in the event of a wastewater spill from the sewerage works of the licensee onto a customer's property, damage and inconvenience to the customer and other persons to entities are minimised; d) the action or actions that must be taken to ensure that, in the event of a wastewater spill from the sewerage works of the licensee, the spill is promptly cleaned and the affected area is disinfected. <p>No issues identified.</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Recommendations</p> <p>Not Applicable</p>		
144E	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 45</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must provide a 24 hour information line by means of which, at the cost of a local telephone call (excluding mobile telephones), a customer can notify the licensee of emergencies and faults, and get information about the reason for, and the expected duration of, any unplanned service interruption.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Manager Service Delivery – Head of Operations Centre <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – Water Corporation’s website – Contact us at https://www.watercorporation.com.au/about-us/contact-us – Water Corporation’s website – Outages & works https://www.watercorporation.com.au/Outages-and-works – Water Corporation’s website – Sign up for water supply alerts https://www.watercorporation.com.au/Help-and-advice/Water-issues/Water-supply-interruptions/Sign-up-for-water-supply-alerts – Operations Centre Voice System Disaster Recovery Plan – Operations Centre Relocation Plan <p>Through discussions, we identified that the Corporation offers a dual phone system to cope with an emergency and fault system as follows:</p> <ul style="list-style-type: none"> – Corporate high volume call operations application called Contact Information Centre (CIC), and – Corporate in-house phone network provided by Cisco Solutions. <p>The Corporation’s website contains a “contact us” page, which provides a 24/7 emergency response team on 13 13 75 free-phone services. Online chat service</p>	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>is available from Monday to Friday, 7 am – 5 pm (except on public holidays). Furthermore, the Corporation’s website provides a report fault page highlighting that customers can use the online form to report a fault or water quality issue.</p> <p>We reviewed the Corporation’s website and noted that the Corporation promises the outage or fault will be assessed promptly, highlighting their readiness to help. We identified that if a customer is experiencing a water outage not listed on the page, the Corporation advises to call the 24/7 emergency response team on 13 13 75.</p> <p>The Corporation’s outages & works website link provides a map pointing out works or outages and an additional table with those not located on the map, providing the following information:</p> <ul style="list-style-type: none"> – Reason; – Upcoming Water Outage with the planned date and time for water off and on; – Recently completed work with the estimated water on date and time; and – Current water outage with the estimated date and time to be fixed. <p>We also called the Corporation’s emergency line (13 13 75) to confirm its existence.</p> <p>Additionally, we noted that the Corporation has a team scheduled and a contingency policy in place to run the call centre 24/7, meeting the trend and peak of queries received during a specific time of the day as follows:</p> <ul style="list-style-type: none"> – Daytime 14 personnel are scheduled to work from 7 am to 8 pm – Night-time 2 personnel are scheduled to work from 8 pm to 6 am <p>The majority of calls are received from 7 am to 8 pm, and the Corporation adjusts its number of personnel to cope with the level of demand. In case of a surge in demand, the Corporation team leader requests employees to work extra hours,</p>		

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			<p>and during the Covid-19 pandemic, backup personnel have been arranged by scheduled personnel with training and skills to perform the task; there is a front message when calling to the Corporation line to manage queue and website.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
145	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(1)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must have a written complaints procedure in relation to investigating and dealing with complaints of customers about the provision of water services by the licensee or a failure by the licensee to provide a water service.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Manager Capability (acting) — Lead Customer Dispute & Resolution <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — PCY 225 Customer Complaints — PCY317 Support Customer Contacts — S115 Processing External Customer Contacts — Water Corporation’s website – Customer and Service Commitments — Water Corporation’s website – Customer Complaint Resolution 	NP	1
146	<p>Water Services Code of Conduct (Customer</p>	4	<p>Through discussions, we identified that the Corporation has a written complaints policy in place, the PCY 225: Customer Complaints, which was drafted based on the standards of ISO 10002 – 2006 and the ERA’s guidelines. We noted that the ISO 10002 – 2006 has been superseded by the AS/NZS 10002:2014, which was</p>	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>Service Standards) 2018 Clause 46(2)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee's complaints procedure must be developed using as minimum standards the relevant provisions of AS/NZS 10002-2014 and the ERA's guidelines (if any).</p>		<p>published on 29 October 2014. Water Services Code of Conduct (Customer Service Standards) 2018 has been updated to reflect the new standard.</p> <p>On the Corporation's website, complaints procedures are listed under Customer and service commitments, Resolving Complaints – Complaints and resolution procedure. It also refers to the Energy and Water Ombudsman if a complainant would like to refer their complaints to an external party and not to the Corporation. Also refer to "Feedback and complaints" on website.</p> <p>We reviewed the Corporation's website and noted that the Corporation promises customers a quick and effective resolution free of charge and promises that complaints will be investigated objectively, equitably and in an unbiased manner. It further promises that all complaints will be investigated and resolved within 15 business days of reporting it.</p> <p>Customers can lodge their complaints by:</p> <ul style="list-style-type: none"> — Phoning the Corporation on phone numbers provided on their website; — Using the online complaints form; — Writing to the Corporation; and — "Chat with us". <p>The Corporation also provides speech or hearing assistance and an interpreter service.</p> <p>Feedback on complaints will be provided to customers by phone, email or in writing.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
147	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(3)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee's complaints procedure must provide for the matters specified in relation to lodgement of complaints, responding to complaints, dispute resolution arrangements and resolving complaints.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Manager Capability (acting) — Lead Customer Dispute & Resolution <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — PCY 225 Customer Complaints — PCY317 Support Customer Contacts — S115 Processing External Customer Contacts — Water Corporation's website – Customer and Service Commitments — Water Corporation's website – Customer Complaint Resolution <p>We identified that the Corporation has a written complaints policy in place, the PCY 225: Customer Complaints, which was drafted based on the standards of AS/NZS 10002:2014 and the ERA's guidelines.</p> <p>The Corporation's complaint procedure provided for the matters specified in relation to:</p> <ul style="list-style-type: none"> — how complaints are to be lodged and recorded — time limits and methods for responding to complaints — dispute resolution arrangements 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> — resolving a complaint before the end of the period of 15 business days starting on the day the complaint was received. lodgement of complaints, responding to complaints, dispute resolution <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
148	Not used				
148A	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(4)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee's complaints procedure must list the procedures available to the customer under the Act as to applying to the water services ombudsman or making an appeal from, or applying for a review of, the decision that gave rise to the complaint, if an appeal or review is</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Manager Capability (acting) — Lead Customer Dispute & Resolution <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — PCY 225 Customer Complaints — PCY317 Support Customer Contacts — S115 Processing External Customer Contacts — Water Corporation's website – Customer and Service Commitments — Water Corporation's website – Customer Complaint Resolution <p>The Procedure for Processing External Enquiries and Complaints defines the responsibilities and methods used to ensure that external customer contacts are</p>	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	available under regulations mentioned in section 222(2)(k).		<p>correctly identified, classified, recorded and resolved, within required timeframes and in accordance with the <i>Water Services Code of Conduct (Customer Services Standards 2018)</i>.</p> <p>Through interviews with relevant personnel and analysis of documentation, the Corporation's procedures listed the methods available to the customer under the Water Services Act 2012 to apply to the water services ombudsman or make an appeal from, or apply for a review of, the decision that gave rise to the complaint.</p> <p>Customers can obtain this information from the Corporation's website or via email and telephone.</p> <p>No issues identified.</p> <p>Recommendation</p> <p>Not Applicable</p>		
149	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(5)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee's complaints procedure must be available on the licensee's website and a hardcopy provided to a customer upon request at no charge.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Manager Capability (acting) — Lead Customer Dispute & Resolution <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — PCY 225 Customer Complaints — Water Corporation's website – Customer and Service Commitments — Water Corporation's website – Customer Complaint Resolution 	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Through discussion and review of the Corporation's external website, we confirmed the complaints procedure was available on the website and a hardcopy was available to be provided to customers upon request, at no charge.</p> <p>No issues identified.</p> <p>Recommendation</p> <p>Not Applicable</p>		
149A	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 47</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>When the licensee considers that a customer's complaint has been resolved the licensee must advise the customer accordingly, inform the customer that the customer has a right to apply to the water services ombudsman for a review of the complaint, and provide a Freecall telephone</p>	2	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Lead Customer Dispute & Resolution <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — PCY 225 Customer Complaints Management — https://www.watercorporation.com.au/About-us/Our-commitments/Customer-and-service-commitments — https://www.watercorporation.com.au/About-us/Our-commitments/Customer-and-service-commitments/Customer-complaint-resolution — Procedure for Processing External Customer Enquiries and Complaints — Work Instruction - Review Bills — PCY317 Support Customer Contacts — Monthly Contacts Performance Summary (15 Business Days) and EWO Referrals. 	B	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>number for the water services ombudsman.</p>		<p>Section 47 requires the Corporation shall advise the customer accordingly when a complaint has been resolved, inform the right to apply to the water services ombudsman for a review of complaint and provide a Freecall telephone number for the water services ombudsman.</p> <p>The Corporation has also mentioned in their website that customer can refer to water service ombudsman if the complaint has not been resolved. The website contains the link along with details of call free number for the water services ombudsman.</p> <p>Further, the Corporation has developed procedure on Processing External Customer Enquiries and Complaints which includes the procedure for recording of relevant details about the conversation along with the right to apply to the Energy and Water Ombudsman for review.</p> <p>Moreover, through our procedures, we observed that the Corporation did not inform all customers that they have a right to apply to the ombudsman and provide a Freecall telephone number for the ombudsman.</p> <p>We observed that the Corporation has identified 350 breaches out of 1,262 complaints in the Annual Compliance Report 2020/21 to the ERA.</p> <p>Our review of 1,875 complaints for the whole scope period (1 July 2020 to 30 June 2022) identified 420 instances that did not comply with <i>Clause 47</i>.</p> <p>Recommendation - Reference No 21/2022</p> <p>We recommend that the Corporation provide further training to relevant staff to inform the customer the right to apply to the Water Services Ombudsman for a review of the complaint, and provide a Freecall telephone number for the water services ombudsman, and continue to regularly monitor and report on the restoration benchmark.</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
150	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 48(1)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must provide a customer with the specified services on request and at no charge.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Team Leader Policy and Compliance – Specialist Customer Assurance – Team Leader Business Services – Specialist Water Services License <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – Disability, access and alternative bill format (Internal webpage) – My Water- Browsers and Accessibility (Internal Webpage) – Water Corporation Brochures (Internal Webpage) <ul style="list-style-type: none"> – Customer and Service Commitments (external Webpage) <p>Through discussions and a review of the Corporation’s website, we noted that the Corporation provide the following services free of charge:</p> <ul style="list-style-type: none"> – Services for account, payment and general enquiries for use by customers with hearing or speech impairment. – Interpreter services for account, payment and general enquiries; and – A large-print version of any of the Corporation’s publicly available information i.e. A3 printed documents. <p>The Corporation’s bills also indicate the hearing or speech impairment and interpreter services they provide to customers.</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>The Corporation, through the “My Water” program, provide customers with their personal account information for each of the properties they own. Customers can also obtain their personal account information via email or by phone. Telephonic requests will be provided following the requirements of the “Security Policy Guidelines”.</p> <p>The Corporation states that it will only provide personal information of a customer to an authorised third party.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
151	Not used				
152	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 48(2)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must make available to each customer, at no charge, the customer’s personal account information including information about bills previously issued to the customer</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Lead Financial Support — Manager Capability (acting) <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Security Policy Guidelines — Corporation’s website, Contac-us link — https://www.watercorporation.com.au/About-us/Contact-us — Self-Serve option online via My Water — The Corporation’s website 	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	and about the quantity of water supplied to, or wastewater discharged by, the customer in previous billing periods.		<p>Through our examination of key documents, discussions with key stakeholders, we observed that the Corporation provides to each customer, at no charge, the customer's personal account information aligning with the Water Services Code of Conduct (Customer Service Standards) 2018 Clause 48(2).</p> <p>The Corporation, through the "My Water" program, provide customers with their personal account information for each of the properties they own. Customers can also obtain their personal account information via email or by phone. Telephonic requests will be provided in accordance with the requirements of the "Security Policy Guidelines".</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
153	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 49(1)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must make the prescribed information publicly available.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Senior Advisor Policy & Compliance <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — https://www.watercorporation.com.au/Bill-and-account — https://www.watercorporation.com.au/Bill-and-account/Apply-for-a-concession — https://www.watercorporation.com.au/About-us/Contact-us — The Corporation's website. 	B	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Section 49(1) states, inter alia that, <i>A licensee need to make information about the following information to be publicly available—(h) that if the customer is offered a payment plan or other arrangement giving the customer more time to pay the bill or to pay arrears, the licensee’s power as mentioned in paragraph (g) can only be exercised if –</i></p> <p><i>(i) <u>the customer has not accepted the offer within the period of 7 days after the day on which it was made;</u> or</i></p> <p><i>(ii) <u>having entered such a plan or other arrangement, the customer does not comply with it.</u></i></p> <p>The condition in 49(1)(h) is only enlivened when the customer fails to pay the required debt to the corporation and the customer is provided more time to pay the bills or to pay arrears. If the customer does not accept the offer of arrangement within 7 days or does not comply with the arrangement executed, the Corporation can exercise the power as mentioned in paragraph 49(1)(g).</p> <p>The Corporation’s approach is to negotiate an outcome that is mutually acceptable which factors in the customer’s specific circumstances when engaging with the customers who are having payment difficulty. This interaction with the customer is agreed and finalised in the initial conversation/communication. The Corporation does <u>not</u> offer a payment plan without the customer’s agreement and then advise them that they must accept the offer within 7 days.</p> <p>Accordingly, the Corporation website does not have information, which states it may restrict supply if the customer does not accept an offer of a payment plan within 7 days.</p> <p>Whilst the Corporation’s approach is customer-centric, we consider the Code in this regard to be prescriptive and requires the requisite information to be provided publicly.</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Recommendation - Reference No 22/2022</p> <p>We recommend the Corporation includes the information as mentioned in Clause 49(1)(h) on its website.</p>		
154	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 49(2)</p> <p>OL 16: Clause 4.1.1 OL 17: Clause 4.1.1</p> <p>The licensee must ensure that the specified information about bills may be obtained from its website.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Senior Advisor Policy & Compliance <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Water Services Code of Conduct (Customer Service Standards) 2013 Clause 37(1)(2); and — The Corporation’s website: <ul style="list-style-type: none"> — Water Corporation Meter Readings How to Read Your Meter — Water Corporation Meter Readings - Estimated meter reads — Water Corporation Property Management - Request a meter reading — Water Corporation - Contact Us - Account enquiries — Customer & service commitments <p>Clause 49 (2) states, inter alia, that:</p> <p><i>A licensee must ensure that the following information about bills may be obtained from its website — ... (b) that in the case of a metered water service, a customer may request a meter reading and bill to determine the outstanding charge for a period that is not the same as the usual billing cycle; (c) that in the case where a</i></p>	B	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p><i>customer disputes an estimate on which a bill is based, the customer may request a meter reading (if the water service is metered and the meter is operable) and in any event a revised bill and that if the customer so requests, information about the fees that apply; (d) that a customer may request, in accordance with the regulations mentioned in section 79(3)(b), the testing of a meter and that if the customer so requests, information about the fees that apply and when the fees may be reimbursed in accordance with the regulations mentioned in section 79(3)(c).</i></p> <p>Our review of the Corporation's public website identified:</p> <ul style="list-style-type: none"> — It does not provide that a customer can request a meter test and information regarding testing charges and reimbursement; and — Estimated reads information does not state the customer may request a meter reading. <p>The absence of prescribed information contravenes the requirements of Clause 49(2).</p> <p>Recommendation - Reference No 23/2022</p> <p>We recommend that the Corporation ensure internal stakeholders, such as Information Technology and relevant business units, collaborate when updating the Corporation's website to reflect the required regulatory information. The Corporation's website should be updated to include the following:</p> <ul style="list-style-type: none"> — Information on how a customer can request a meter test and information regarding testing charges and reimbursement; and — Estimated reads information should state the customer may request a meter reading. 		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
154A	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 49(3)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must ensure that its website contains a link to the current version of this code appearing on the website that is maintained by or on behalf of the Western Australian Government and that provides public access to electronic versions of Western Australian legislation.</p>	5	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Senior Advisor Policy & Compliance — Specialist Water Services License <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — The Corporation’s website. <p>We checked the Corporation’s website and confirmed that it contains a link to the current version of this code.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not applicable</p>	NP	1
154B	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 51(1) & (3)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must maintain an up-to-date</p>	1	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Team Leader Concession & Conveyancing Services — Officer Concession & Conveyancing Services <p>The following documents were reviewed:</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>preserved supply register for the purposes of Part 9 of the Code if the licensee meets the criteria in clause 51(2). The register must record the prescribed information in clause 51(3) if the criteria in clause 51(2) applies to the licensee.</p>		<ul style="list-style-type: none"> — S532 Supply of water to persons with special requirements — https://www.watercorporation.com.au/Help-and-advice/Bill-and-account/Rebates-and-discounts/Medical-Assist-allowance — Preserved Supply Register — Guru Screenshot on Preserved Supply Register <p>Section 51(1) & (3) requires the Corporation to maintain Preserved supply register containing the following information:</p> <p><i>(1) A licensee must maintain an up-to-date register for the purposes of this Part.</i></p> <p><i>(2) This subclause applies if a licensee —</i></p> <ul style="list-style-type: none"> <i>(a) receives notice or otherwise becomes aware that a person who resides at a supply address requires water for the operation of a dialysis machine or other life support equipment; or</i> <i>b) assesses and determines that a person who resides at a supply address requires water for a special need of another kind.</i> <p><i>(3) If subclause (2) applies, the licensee must record on the preserved supply register —</i></p> <ul style="list-style-type: none"> <i>(a) the name of the person; and</i> <i>(b) the supply address.</i> <p>The Corporation has also developed the procedure on supply of water to persons with special requirements, which under clause 6.3 Preserved Supply Register states: <i>for identification of these customers a register has been created using the information on Grange, as this is the system of the record.</i></p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>We reviewed Preserved supply register and observed that the register contains up-to-date record along with the name and supply of the customer. Also, the Corporation updates it on a regular basis and distributes it to other business units as required.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
154C	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 52</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must not, under section 95(1)(b) of the Act, reduce the rate of flow of a supply of water to a supply address recorded on the preserved supply register.</p>	1	<p>The following personnel were interviewed</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Team Leader Concession & Conveyancing Services — Officer Concession & Conveyancing Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Recovery of Property Debt — S532 Supply of water to persons with special requirements <p>The Corporation has developed the procedure of not reducing the rate of flow of a supply of water to a supply address recorded on the preserved supply register under Section 1.4.11 Recovery of Property Debt Restriction, which states: <i>“If the Water Corporation were to fail this obligation and restrict the supply to a customer on the preserved supply register (dialysis or other life support), the Corporation must immediately notify the ERA via Regulation and Compliance”.</i></p> <p>Our sample (36) testing did not identify any exceptions.</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
154D	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 53</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>Despite clause 43(3), in the case of a service interruption that will affect a supply address recorded on the preserved supply register, the notice required by clause 43(1) must be sent by post or delivered to that supply address.</p>	1	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Manager Operations Delivery — Regional Manager, Great Southern — District Work planner UGS — Team leader LGS Wastewater, Drainage and Forestry — Team leader Civil, Lower Great Southern. <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Guru Knowledge Page - Preserved Water Supply - Special Requirement Customer — Water Corporation Website - Medical Assist — S532 Supply of water to persons with special requirements — Preserved Supply Register — Conveyancing Team Home Dialysis Register 	A	NR

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Through discussions and a review of a sample of bills and the Corporation's website, we noted that there were no instances planned services interruptions that impacted properties listed on the preserved supply register.</p> <p>We observed that the policies and procedures have been developed to provide written notices in person to these properties, at least 48 hours prior to the interruption commencing.</p> <p>We further noted that the Corporation is working on maintaining email and mobile number records of all the customers registered on the preserved supply register.</p> <p>We reviewed 36 accounts and did not find any instances where planned services interruptions impacted these properties.</p> <p>Recommendations</p> <p>Not Applicable</p>		
155	<p>Water Services Act Section 12</p> <p>OL 16: Clause 4.2.1</p> <p>OL 17: Clause 4.2.1</p> <p>The licensee must pay the applicable fees and charges in accordance with the Economic Regulation Authority (Licensing Funding) Regulation 2014.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Regulation and Compliance — Specialist Water Services Licence <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Licence Fee Work Instruction ID#48853169 — Invoices – Annual Licence Charge #ERA1000722, #ERA1001651 — Invoices – Standing Charges #ERA102638, #ERA100387, #ERA100631, #ERA1000902, #ERA1001313, #ERA1001521, #ERA1001810 <p>The <i>Economic Regulation Authority (Licensing Funding) Regulations 2014</i> required the Corporation to pay the ERA an annual licence fee as well as a</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Standing Charge fee for the audit period. The ERA could also charge the Corporation specific charges under the Regulations. We confirmed that there were no specific charges during the audit period.</p> <p>We obtained the invoices and confirmed that the annual licence fees were paid each year of the audit scope period. We also reviewed the invoices for the standing charges each year. We found all annual and standing charges were paid within the allocated due date as stated in the invoice.</p> <p>Recommendations</p> <p>Not Applicable</p>		
156	Not used				
157	Not used				
158	Not used				
159	<p>Water Services Act Section 12</p> <p>OL 16: Clause 4.1.2</p> <p>OL 17: Clause 4.1.2</p> <p>The licensee must comply with a direction from the ERA in relation to a breach of applicable legislation.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Regulation and Compliance — Specialist Water Services Licence <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Compliance Enforcement Policy — Annual ERA Compliance Reporting Work Instruction #49600224 — Type 1 Obligation Reporting to the ERA #58569594 	NP	N/R

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>If the Corporation receives a written direction notice from the ERA, the notice will be recorded in the Corporation's ERA Correspondence register and action register. The Corporation uses the Correspondence register and action register to ensure that the ERA's directions are complied with within the specified timeframe.</p> <p>Based on our inquiry, the Corporation did not receive directions relating to a breach of applicable legislation from the ERA during the audit period.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
159A	Not used				
160	<p>Water Services Act Section 12</p> <p>OL 16: Clause 4.6.1</p> <p>OL 17: Clause 4.6.1</p> <p>The licensee and any related body corporate must maintain accounting records that comply with standards issued by the Australian Accounting Standards Board or equivalent International Accounting Standards.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Regulation and Compliance — Specialist Water Services License <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Audit Results Report – Annual 2020-21 — Representation Letter – Financial Statement for the Year 30 June 2022 — Water Corporation Financial Report for the Year 30 June 2022 <p>According to the Auditor General, the Corporation was not compliant with accounting standards as at 30 June 2021.</p> <p>For the financial year ended 30 June 2021, the Corporation had not adopted the International Financial Reporting Standards Interpretations Committee (IFRIC)</p>	A	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>agenda decision related to Australian Accounting Standard AASB 138 Intangibles due to limited time to conduct a detailed analysis.</p> <p>In April 2021, the Committee issued a final agenda decision about configuration or customisation costs in a cloud computing arrangement and the correct treatment of this as operating or capital expenses.</p> <p>The Corporation needed to review all relevant capital expenditures and write off amounts relating to cloud computer arrangements to operating expenditures to be compliant. According to the Auditor General, the matter was corrected in the Financial Report for the Year 30 June 2022, which decreased the Corporation Asset by \$150M.</p> <p>Recommendations</p> <p>Not Applicable</p>		
161	<p>Water Services Act Section 12</p> <p>OL 16: Clause 5.2.1</p> <p>OL 17: Clause 5.2.1</p> <p>The licensee must comply with any individual performance standards prescribed by the ERA.</p>	2	<p>The following obligations have been identified as exceptions and therefore impact the compliance status of obligation 161:</p> <ul style="list-style-type: none"> — Obligation 190, section 1.2.1 — Obligation 190, section 6.1.1 <p>Recommendation</p> <p>Not applicable as we have made individual recommendations under the specific obligations.</p>	B	2
162	<p>Water Services Act Section 12</p> <p>OL 16: Clause 5.3.4</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Regulation and Compliance 	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>OL 17: Clause 5.3.4</p> <p>The licensee must cooperate with the independent expert and comply with the ERA's audit and review guidelines dealing with the operational audit.</p>		<p>– Specialist Water Services Licence</p> <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – ERA's 2019 Audit and Review Guidelines – Water Licences – Crowe Australasia 2020 Operational Audit Report – Letter to Mr Pat Donovan dated 18 March 2021 from the ERA – Operational Audit Work Instruction #49521726 – Summary of Water Services Licence Requirements and Documents #58543068 <p>Based on our discussions, the Corporation indicates that it understands its obligations to cooperate with the independent expert and comply with the ERA's audit and review guidelines for operational audits.</p> <p>The Corporation has developed the Operational Audit work instruction ("Instruction"), which directly refers to the ERA's Audit and Review Guidelines for Water Licences to facilitate the Operational Audit. We reviewed the Instruction and found that it includes steps to ensure the Corporation is adequately prepared for the Audit.</p> <p>Furthermore, the Corporation maintains a document titled Summary of Water Services Licence Requirements and Documents ("Summary"). We have reviewed the Summary and found that this document lists all licence obligations, the responsible business area and key documents associated with the obligations.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
163	<p>Water Services Act Section 12</p> <p>OL 16: Clauses 4.7.1(a), (b), (c)</p> <p>OL 17: Clauses 4.7.1(a), (b), (c)</p> <p>The licensee must report to the ERA, in the manner prescribed, if a licensee is under external administration or there is a change in the circumstances upon which the licence was granted which may affect a licensee's ability to meet its obligations.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Regulation and Compliance — Specialist Water Services Licence <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Independent Auditor's Report for 2020 and 2021 — Notification to ERA under WSL – External Administration Procedure ID#19750722 <p>Through discussions with relevant personnel, we confirmed that the Corporation, at no time, was under external administration during the audit period and that the Corporation did not experience a material change to its corporate, financial or technical circumstances. We also confirmed that the Corporation's name, ABN, address or the description of its water service works did not change.</p> <p>The Notification to ERA under WSL External Administration Procedure documents the requirement to notify the ERA if the Corporation is under external administration.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>	NP	N/R
164	Not used				

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
165	<p>Water Services Act Section 12</p> <p>OL 16: Clause 4.8.1</p> <p>OL 17: Clause 4.8.1</p> <p>The licensee must provide the ERA specified information relevant to the operation of the licence or the licensing scheme, or the performance of the ERA's function under the Act in the manner and form specified by the ERA.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Regulation and Compliance — Specialist Water Services Licence <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — ERA Correspondence Register #48799687 — ERA correspondence requesting reporting information 19 April 2021 - #115090628 — ERA correspondence requesting reporting information 30 March 2022 - #135162277 — Type 1 Obligation Reporting Work Instruction #58569594 — Annual ERA compliance Report Work Instruction #49600224 — Annual Compliance Reports #100919011 & #120202943 — Performance Reporting Work Instruction #48505167 — Submission of annual performance data #128703374 <p>Based on our discussions, the Corporation identified multiple licence obligations which require the provision of information (such as Obligations 4, 7, 8, 9, 163 & 171) to the ERA.</p> <p>The Corporation identified the following information/reporting to be provided to the ERA as per the requirements of the Water Compliance Reporting Manual and the National Performance Framework (NPF):</p> <ul style="list-style-type: none"> — Type 1 Obligation Reporting 	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> — Annual Compliance Reports — Performance Reporting – submission of data — National Performance Report – Audit <p>To ensure compliance with this obligation, the Corporation has developed work instructions to provide step-by instructions for Type 1 Obligation reporting and compliance reporting, as well as work instructions for annual performance reporting requirements.</p> <p>A compliance report is required to be submitted to the ERA by 31 August each year, and an annual performance report is no later than 31 October each year.</p> <p>The Corporation acknowledges it may be required to provide additional information to the ERA outside the requirements of the reporting manual, NPF and specific licence obligations. These requests for information along with other ERA correspondence are recorded in the ERA correspondence register. The provision of information to the ERA is a core function of the Corporation’s Regulation and Compliance Team.</p> <p>Based on our review of the correspondence between the Corporation and the ERA concerning the submission of Type 1 Obligation Reporting, Annual Compliance Reports and Performance Reporting – submission of data, we found that the submissions complied with the required timeframes.</p> <p>We have not sighted any correspondence or report concerning the National Performance Report (NPR), as these are required to be submitted on a three-yearly basis. An Audit was completed in 2019, and the next audit is due in the second half of 2022, both time periods being outside the audit scope.</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>No issues identified.</p> <p>Recommendations</p> <p>No recommendations.</p>		
166	Not used				
167	<p>Water Services Act Section 12</p> <p>OL 16: Clause 4.8.2</p> <p>OL 17: Clause 4.8.2</p> <p>The licensee must provide the ERA with the data required for performance reporting purposes that is specified in the Water, Sewerage and Irrigation Licence Performance Reporting Handbook, and the National Performance Framework that apply to the licensee.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Regulation and Compliance — Specialist Water Services Licence <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — ERA correspondence requesting reporting information 19 April 2021 - #115090628 — ERA correspondence requesting reporting information 30 March 2022 - #135162277 — Type 1 Obligation Reporting Work Instruction #58569594 — Annual ERA compliance Report Work Instruction #49600224 — Annual Compliance Reports #100919011 & #120202943 — Performance Reporting Work Instruction #48505167 — Submission of annual performance data #128703374 <p>We identified that the Corporation provides performance reporting in line with the Water, Sewerage and Irrigation Licence Performance Reporting Handbook and</p>	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>National Performance Framework: urban performance reporting indicators to the ERA.</p> <p>A list of KPIs were provided to us by the Corporation during our fieldwork. We have selected and recalculated a sample of KPIs, including those relating to Potable Water, Complaints and Farmlands Area Water Supply (Water Corporation only) indicators.</p> <p>The samples we have selected for recalculation are as follows:</p> <ul style="list-style-type: none"> — Potable Water – LPW2 - Percentage of connected properties that have been supplied at a pressure and flow that meets the standards set out in the licence — Complaints - LPW 7 - Percentage of customer complaints resolved within 15 business days — Farmlands Area Water Supply (Water Corporation only) – WC 3 - Percentage of customers receiving Farmlands Water services whose service met the water pressure and flow standards specified in the licence — Network Supply - RWSP 17 - Total supply network intake volume — Minor Town Submission – Denmark - Total volume of water sourced — WCRM 117 – Customer billing and assurance (1 July 2019 to 30 June 2020) — WCRM 147 – Contact Centre (1 July 2019 to 30 June 2020) — WCRM 117 – Customer billing and assurance (1 July 2020 to 30 June 2021) — WCRM149A - Customer Billing & Assurance (1 July 2020 to 30 June 2021) 		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>We have found no discrepancies between our recalculation and the data provided by the Corporation.</p> <p>NPRs are submitted every three years. The previous submission was completed in 2019, and the next audit is due in the second half of 2022. Both periods are outside of the audit scope period.</p> <p>No issues were noted.</p> <p>Recommendations</p> <p>Not Applicable</p>		
168	<p>Water Services Act Section 12</p> <p>OL 16: Clauses 3.8.1 and 3.8.2</p> <p>OL 17: Clauses 3.8.1 and 3.8.2</p> <p>Subject to clause 3.8.3, the licensee must publish within the specified timeframe any information that the ERA has directed the licensee to publish under clause 3.8.1.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Regulation and Compliance — Specialist Water Services Licence <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — ERA Correspondence Register #48799687 <p>Through enquiries with the Corporation, we identified that the Risk and Assurance Business Unit is responsible for monitoring compliance against this obligation.</p> <p>In the event the Corporation is directed to publish information, the Corporation assumes the ERA will put their direction in writing, which will be tracked in the Corporation's ERA Correspondence and Action register.</p> <p>Based on our enquiry, the Corporation identified multiple licence obligations which require the publishing of information (such as Obligations 36, 42, 187, 188 & 189). The Corporation believes that compliance with those obligations should be individually assessed.</p>	NP	N/R

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Excluding the publishing of information covered under separate licence obligations, we identified that the ERA had not directed the Corporation to publish any information throughout the audit period. We also found no such direction in the ERA Correspondence Register.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>No recommendations.</p>		
169	<p>Water Services Act Section 12</p> <p>OL 16: Clause 3.7.1</p> <p>OL 17: Clause 3.7.1</p> <p>Unless otherwise specified, all notices must be in writing.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Regulation and Compliance — Specialist Water Services Licence <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — ERA Correspondence Register #48799687 — Discussion reissues raised by Water Corporation - Water Licence Review 2019 (Email) <p>Our inquiries revealed the Corporation had sought clarification on the definition of 'notices' from the ERA. Based on our review of the relevant correspondence, the ERA clarified that the definition of 'notices' only applies to notices issued under the licence (i.e., Clauses 2.2.2, 2.6.1, 2.7, 5.1.5 and Schedule 2, Clause 5.1). The Corporation considered the clarification does not have adverse effects on the Corporation's prior internal definition but has merely narrowed the definition of 'notices'.</p>	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>The Corporation also confirmed that all formal correspondence between the ERA and the Corporation is in writing via email or letter. This is to ensure an audit trail is maintained.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
170	Not used				
170A	Not Applicable to the Water Corporation				
171	<p>Water Services Act Section 12</p> <p>OL 16: Clause 5.1.3</p> <p>OL 17: Clause 5.1.3</p> <p>The licensee must notify the ERA of any material change to the asset management system within 10 business days of the change.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Head of Asset Strategy — Manager Asset Management System & Risk <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Water Compliance Reporting Manual - Development Services - Obligation No. 172b #100694514 — Management of ERA Asset Management System Compliance Procedure #58584829 	NP	N/R
172	<p>Water Services Act Section 12</p> <p>OL 16: Clause 5.1.7</p> <p>OL 17: Clause 5.1.7</p>	4	<ul style="list-style-type: none"> — The Notification to ERA of Changes to Asset Management System Procedure #49681193 <p>Through our examination of key documents, discussions with key stakeholders, and examination of the Asset Management System Manual, we observed that the</p>	NP	N/R

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>The licensee must cooperate with the independent expert and comply with the ERA's audit and review guidelines dealing with the asset management system review.</p>		<p>Corporation has an asset management system in place that provides for the operation and maintenance of the water service works.</p> <p>The Corporation's asset management system is supported by several documents, including the Asset Management Manual, the Asset Management Strategy and Asset Management System Improvement Plans.</p> <p>We observed that the Asset Management System (AMS) is one of many management systems in the Corporation. Most management systems are certified to an International or Australian standard. There were no material changes identified.</p> <p>Clause 5.1.7</p> <p>We checked the Corporation's Management of ERA Asset Management System Compliance procedure and confirmed that it highlights the accountabilities to meet the external compliance requirements defined by this obligation. This procedure details both the periodic review of the Asset Management System Review (AMSR) and ongoing monitoring and reporting of outcomes of reviews.</p> <p>The AMSR is conducted periodically to review the effectiveness of the AMS in use by the Corporation. The AMSR focuses on twelve key processes in the asset management lifecycle:</p> <ol style="list-style-type: none"> 1. Asset planning 2. Asset creation and acquisition 3. Asset disposal 4. Environmental analysis 5. Asset operations 6. Asset maintenance 7. Asset management information system 8. Risk management 9. Contingency planning 10. Financial planning 		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>11. Capital expenditure planning 12. Review of an asset management system</p> <p>According to the “Management of ERA Asset Management System Compliance,” the review process is to be conducted at a minimum frequency of 24 months.</p> <p>The last AMSR was conducted in 2021 by an independent third party. The ERA engaged an independent third party.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
172A	<p>Water Services Act Section 12</p> <p>OL 16: Clause 6.1.1</p> <p>OL 17: Clause 6.1.1</p> <p>If the ERA considers that one or more of a licensee's standard terms and conditions of service is no longer in the public interest, the ERA may direct the licensee:</p> <p>a) to amend:</p> <p>i) the standard term or condition of service; or</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Senior Advisor Business Management — Support Officer Business Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Water Compliance Reporting Manual #100697938 — Standard Terms and Conditions #58576405 — Water Compliance Reporting Manual - Development Services - Obligation No. 172b #100694514 <p>The current process is documented in the Notification to ERA of Changes to Asset Management System Procedure. The procedure clarifies what is considered a material change to the AMS. Other than the removal of the requirement for the</p>	NP	NR

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>ii) the standard term or condition of service in accordance with a term proposed by the ERA; and</p> <p>b) to do so within a specified period.</p>		<p>changes to be communicated through the Investment Governance Committee (IGC) meetings, there is no change to the process. The Head of Asset Strategy remains accountable for identifying any changes to the AMS and communicates these to the Head of Risk and Assurance, who notifies the ERA within 10 business days of the change</p> <p>Clause 6.1.1</p> <p>We were notified by key stakeholders that during the period, there was no direction made by the ERA; therefore, no activity required this obligation to be exercised.</p>		
172B	<p>Water Services Act Section 12</p> <p>OL 16: Clause 6.1.2</p> <p>OL 17: Clause 6.1.2</p> <p>The licensee must comply with a direction given to the licensee under clause 6.1.1.</p>	4	<p>Clause 6.1.2</p> <p>The Corporation had not received any direction by ERA to amend the standard terms and conditions of service during the audit period. In the event of direction, the ERA would inform the Corporation of its direction via written notice, which will be tracked in the Corporation's ERA Correspondence and Action Register.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>	NP	NR
173	Not used				
174	Not used				
175	Not used				
176	Not used				
177	Not used				

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
178	Not used				
179	Not used				
180	Not used				
181	<p>Water Services Act Section 12</p> <p>OL 16: Clause 6.3.1</p> <p>OL 17: Clause 6.3.1</p> <p>If the licensee is appointed as the supplier of last resort for a designated area in relation to the provision of a particular water service, the licensee must perform the functions of a supplier of last resort, comply with the duties imposed by the Act and carry out its operations under or for the purpose of the last resort plan in accordance with the Act.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Regulation and Compliance — Specialist Water Services Licence <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — ERA Correspondence Register #48799687 — Supplier of last resort work instruction #49653238 <p>Based on our discussions, if the Corporation is appointed the supplier of last resort, the Corporation implements the measures outlined in the <i>Supplier of last resort work instruction #49653238</i> ('Work Instructions').</p> <p>According to the Work Instructions, should the ERA appoint the Corporation as a last resort supplier:</p> <ol style="list-style-type: none"> 1. The Corporation will respond to the ERA's expression of interest or notification of direct appointment, with the correspondence recorded in the ERA Correspondence Register #48799687. 2. The Corporation will form a Supplier of Last Resort Committee ('Committee') 3. The Committee will draft and submit a Last Resort Supply Plan to ERA for approval. 4. Upon approval, the Committee will facilitate implementation of the Last Resort Supply Plan as per the Corporation's Accountability Framework. 	NP	NR

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>The responsibilities of the stakeholders are as follows:</p> <ol style="list-style-type: none"> 1. ERA: <ul style="list-style-type: none"> — Designate an area for which there is to be a last resort supply plan — Invite expression of interest for; or directly appoint a supplier of last resort — Appoint the supplier of last resort — Approve Supply Plan 2. Risk and Assurance Business Unit: <ul style="list-style-type: none"> — Respond to the invitation to express interest to be a supplier of last resort; or the notification of direct appointment as a supplier of last resort — Facilitate the formation of Supplier of Last Resort Committee 3. Supplier of Last Resort Committee: <ul style="list-style-type: none"> — Develop a draft Supply Plan — Implement the Supply Plan — Facilitate cost recovery <p>The Corporation confirmed that it had not been appointed as a supplier of last resort throughout the audit period. We have also reviewed the ERA Correspondence Register and found no correspondence indicating the appointment of the Corporation as the supplier of last resort.</p> <p>No issues identified.</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Recommendations</p> <p>Not Applicable</p>		
182	<p>Water Services Act Section 12</p> <p>OL 16: Clause 4.4.1(b)</p> <p>OL 17: Clause 4.4.1(b)</p> <p>If the licensee provides a water service outside of the operating area the licensee must apply to amend the licence unless otherwise notified by the ERA.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Senior Advisor Business Management — Support Officer Business Services <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Water Compliance Reporting Manual - Development Services - Obligation No. 182 #48845199 — Map OWR-OA-309 – Water Supply Services — Map OWR-OA-309 – Sewerage Services — Map OWR-OA-309 – Drainage Services <p>Through discussions with key stakeholders and reviewing the policies and procedures, we have established that the Business Management Unit is responsible for overseeing and ensuring that the Corporation complies with the Water Services Act Section 12 Clause 4.4.1. Additionally, we checked that the Water Compliance Reporting Manual outlines the relevant policy, procedure and work practices that are in place to ensure that the operations within the area are monitored.</p> <p>According to the Water Compliance Reporting Manual, the BuilderNet application support system is used to lodge new applications for services and places overlays on the Corporations mapping system to help identify when a property is outside</p>	NP	NR

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>the Operating Areas. We noted that the system runs a set of validation queries and flags properties outside the Operating Areas.</p> <p>We obtained the map OWR-OA-309, which depicts the Corporation's operating areas for Water Supply Services, Sewerage Services and Drainage Services.</p> <p>We observed the Corporation does not provide water service outside of the operating area of the licence.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
183	Not used				
184	<p>Water Services Act Section 12</p> <p>OL 16: Clause 7.1.1</p> <p>OL 17: Clause 7.1.1</p> <p>Where the licensee provides potable water, the licensee must enter into a Memorandum of Understanding with the Department of Health as soon as practicable after the commencement date or as otherwise agreed</p>	5	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Framework and Systems — Senior Analyst Framework Management <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Memorandum of Understanding between the Department of Health and Water Corporation for Drinking Water dated 28 November 2017 <p>By reviewing the Memorandum of Understanding for Drinking Water between The Department of Health and the Corporation and through our discussions with relevant personnel, we confirmed that the Corporation has a current Memorandum of Understanding for Drinking Water with the Department of Health. The</p>	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	with Department of Health.		<p>Memorandum of Understanding was endorsed by the Department of Health and the Corporation on 29 November 2017 for a period of five years.</p> <p>We checked their website and observed that the Corporation has also published the Memorandum of Understanding on its external website.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
184A	<p>Water Services Act Section 12</p> <p>OL 16: Clause 7.1.2</p> <p>OL 17: Clause 7.1.2</p> <p>Where the licensee provides sewerage services, the licensee must, if required by the Department of Health, enter into a Memorandum of Understanding with the Department of Health as soon as practicable after the commencement date or as otherwise agreed with Department of Health.</p>	5	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Framework and Systems — Senior Analyst Framework Management <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Memorandum of Understanding between the Department of Health and Water Corporation for Wastewater Services and Groundwater Replenishment dated 16 August 2021 <p>Through discussions with relevant personnel and a review of the <i>Memorandum of Understanding between the Department of Health and Water Corporation for Wastewater Services and Groundwater Replenishment</i>, we confirmed that the Corporation has a separate MoU with the Department of Health in respect of each of the potable water service and sewerage service.</p>	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			No issues identified.		
184B	<p>Water Services Act Section 12</p> <p>OL 16: Clause 7.1.3</p> <p>OL 17: Clause 7.1.3</p> <p>If the licensee provides both potable water and sewerage services, the licensee must enter into a separate Memorandum of Understanding with the Department of Health in respect of each of the potable water service and sewerage service.</p>	5	<p>Recommendations</p> <p>Not Applicable</p>	NP	1
185	<p>Water Services Act Section 12</p> <p>OL 16: Clause 7.1.4</p> <p>OL 17: Clause 7.1.4</p> <p>A Memorandum of Understanding must comply with the specified requirements in relation to legal standing of the</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Framework and Systems — Senior Analyst Framework Management <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Memorandum of Understanding between the Department of Health and Water Corporation for Drinking Water dated 28 November 2017 	A	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	document and compliance audits by the Department of Health.		<ul style="list-style-type: none"> – Memorandum of Understanding between the Department of Health and Water Corporation for Wastewater Services and Groundwater Replenishment dated 16 August 2021 – Water Corporation Memorandum of Understanding Wastewater services and Groundwater replenishment Abridged report – Summary of 2020 Audit <p>In 2020, a compliance breach was reported regarding the wastewater service MOU between the Corporation and DOH in relation to the legal binding document between the two parties. Specifically, the Wastewater Services MoU between Water Corporation and DoH did not state that it is a legally binding document between the 2 parties. This matter was addressed in September 2021.</p> <p>The amended MOU included a clause that the <i>‘MoU is a legally binding agreement between the Corporation and the Department.’</i></p> <p>The adjusted MOU was endorsed by both the DoH and the Corporation on 16 August 2021. It was published on the external website on 14 September 2021.</p> <p>Recommendations</p> <p>A recommendation has not been made as the non-compliance issue was resolved.</p>		
186	Water Services Act Section 12 OL 16: Clause 7.1.5 OL 17: Clause 7.1.5 The licensee must comply with the terms of	4	The following personnel were interviewed: <ul style="list-style-type: none"> – Manager Framework & Systems – Senior Analyst Framework Management The following documents were reviewed:	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	a Memorandum of Understanding.		<ul style="list-style-type: none"> — Memorandum of Understanding between the Department of Health and Water Corporation for Drinking Water endorsed on 28 November 2017 — Memorandum of Understanding for Drinking Water endorsed in June 2017 — Memorandum of Understanding between the Department of Health and Water Corporation for Wastewater Services and Groundwater Replenishment endorsed in June 2021 <p>We confirmed through interviews with relevant personnel and review of policies, procedures, and monthly quality reports that, during the audit period, the Corporation complied with the terms of its Memorandum of Understandings with the Department of Health.</p> <p>We noted that the terms of the Corporation’s Memorandums of Understanding with the Department of Health are reflected in corporate process documents.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		
187	Water Services Act Section 12 OL 16: Clause 7.1.6 OL 17: Clause 7.1.6 The licensee must publish in the form agreed with the Department of Health, a	3	The following personnel were interviewed: <ul style="list-style-type: none"> — Manager – Framework and Systems — Senior Analyst Framework Management The following documents were reviewed: <ul style="list-style-type: none"> — MoU changes and date published – spreadsheet 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>Memorandum of Understanding and any amendments to a Memorandum of Understanding within one month of signing or making the amendment.</p>		<p>— Management of Water Corporation – DoH Memorandum of Understanding Procedure</p> <p>In 2020, a compliance breach was reported regarding the wastewater service MOU between the Corporation and DOH about the legal binding document between the two parties.</p> <p>The amended MOU included a clause that the ‘MoU is a legally binding agreement between the Corporation and the Department.’</p> <p>The adjusted MOU was endorsed by both the DoH and the Corporation on 16 August 2021. It was published on the external website on 14 September 2021.</p> <p>Recommendation</p> <p>A recommendation has not been made as the non-compliance issue was resolved.</p>		
188	<p>Water Services Act Section 12</p> <p>OL 16: Clause 7.1.7</p> <p>OL 17: Clause 7.1.7</p> <p>The licensee must publish the audit report on compliance with its obligations under a Memorandum of Understanding on its website within one</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager – Framework and Systems — Senior Analyst Framework Management <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Water Corporation WWS and GWR MoU audit – Final Report 28 June 2021 <p>The DWQ MoU audit occurred in May / June 2022. We have not been provided with this report.</p> <p>We confirmed through interviews with relevant personnel and review of documentation and the Corporation’s website, the Corporation published the audit</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	month of the completion of the audit.		<p>report on compliance with its obligations under the drinking water Memorandum of Understanding on its website, within one month of the completion of the audit.</p> <p>The Wastewater MoU audit was held in 2020-21. The completed audit report (and abridged report) was submitted to the Corporation, Head of Water Quality on 28 June 2021. The abridged report was published on the external website on 16 July 2021.</p> <p>No issues identified.</p> <p>Recommendation</p> <p>Not Applicable</p>		
189	<p>Water Services Act Section 12</p> <p>OL 16: Clause 7.1.8</p> <p>OL 17: Clause 7.1.8</p> <p>The licensee must publish, in a form agreed with the Department of Health, any other reports required by the Department of Health or required by a Memorandum of Understanding on the licensee's website, at a reporting frequency specified by the Department of Health.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager – Framework and Systems — Senior Analyst Framework Management <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Drinking Water Quality Annual Report for 2020-21 — Drinking Water Quality Perth & WA Water Quality Testing & More www.watercorporation.com.au/About-us/Our-performance/Drinking-water-quality — Wastewater Quality Annual Report 2020-21 — Water Corporation Western Australia Wastewater quality — Memorandum of Understanding between the Department of Health and Water Corporation for Drinking Water dated 28 November 2017 	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> – Memorandum of Understanding between the Department of Health and Water Corporation for Wastewater Services and Groundwater Replenishment dated 16 August 2021 – MoU changes and date published – spreadsheet <p>The Department of Health (DOH) requires an annual Drinking Water Quality Report and an annual Wastewater Quality Report to be published on the licensee’s website at a reporting frequency specified by the DOH.</p> <p>We obtained the Drinking Water Quality Annual Report for 2020-21 and the Wastewater Quality Annual Report 2020-21 from the external website.</p> <p>We reviewed the spreadsheet that tracks the annual reporting requirements and confirmed that the report had been published in an agreed form and at the frequency specified by the Department of Health.</p> <p>No issues identified.</p> <p>Recommendation</p> <p>Not Applicable</p>		
190	<p>Water Services Act Section 12</p> <p>OL 16: Schedule 2</p> <p>OL 17: Schedule 2</p> <p>The licensee must comply with the standards set out in</p>	2	<p>Please refer to Schedule 2.</p> <p>The following obligations have been identified as exceptions and therefore impact the compliance status of obligation 190:</p> <ul style="list-style-type: none"> – Obligation 190, section 1.2.1 – Obligation 190, section 6.1.1 	B	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	Schedule 2 of the licence.		<p>Recommendation</p> <p>Not Applicable as we have made individual recommendations under the specific obligations.</p>		
191	<p>Water Services Code of Practice (Family Violence) 2020 Clause 5(1)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must have a family violence policy that sets out the matters specified in clause 5(1).</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Lead Financial Support <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Family Violence – Financial Support Work Instruction — Water Corporation website — Water Corporation Family Violence Policy <p>As outlined on the Water Corporation’s website, a <i>Family Violence Policy</i> has been implemented to assist customers. It is acknowledged that the Corporation had taken into consideration the <i>Department of Water & Environmental Regulation’s Guideline</i> for developing and implementing a <i>Family Violence Policy</i> (template in Appendix A).</p> <p>We observed that Appendix B contains the checklist against the minimum requirements a water service provider must meet to comply with the <i>Water services code for addressing family violence</i>.</p> <p><i>Clause 5(1) of the Water Services Code of Practice (Family Violence) 2020</i> requires:</p>	B	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> — A licensee must have a policy (a family violence policy) that sets out the following matters – <ul style="list-style-type: none"> — The training to be provided to employees and other persons interacting with customers on behalf of the licensee to enable them to appropriately respond to customers affected by family violence; — The information to be provided to customers affected by family violence about external services through which they can receive support, <u>and when that information is to be provided</u>; — A process by which the account of a customer affected by family violence can be identified by employees without the need for a customer to repeat details of the issues; — How information obtained from, or relating to, customers affected by family violence is to be protected; — In what circumstances a customer affected by family violence will, as a result, be taken to be experiencing – <ul style="list-style-type: none"> — (i) payment difficulties for the purposes of the Water Services Code of Conduct (Customer Service Standards) 2018; or — (ii) financial hardship for the purposes of the licensee’s financial hardship policy; — How the licensee is to deal with debt management and recovery in relation to the accounts of customers affected by family violence; — That the licensee must not request written evidence of family violence from a customer unless the evidence is reasonably necessary to enable the licensee to assess appropriate measures that it may take in relation to debt management and recovery. 		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>We make the following observation of the Corporation's <i>Family Violence Policy</i>:</p> <ul style="list-style-type: none"> — [5(1) (b)]: The Corporation's Family Violence Policy is silent on the information to be provided to customers affected by family violence about external services through which they can receive support, and when that information is to be provided; — [5(1) (c)]: The Corporation's Family Violence Policy is silent on the process by which the account of customer affected by family violence can be identified by employees without the need for customer to repeat details of the issues. (Even the website has no specific process to address this matter). — [5(1) (d)]: The Corporation's Family Violence Policy is silent about the process by which information provided by customer regarding family violence are protected. — [5(1) (e)]: The circumstances are not defined in the Corporation's Family Violence Policy as to how payment difficulties are addressed including the circumstances which can result in financial hardship are silent in the policy of financial hardship. No process in place to address debt management and recovery in relation to account affected by family violence. — [5(1) (g)]: No information about the process for requesting written evidence if written evidence were required. <p>Recommendations - Reference No 24/2022</p> <p>We recommend that the Corporation review its <i>Family Violence Policy</i> to include the following information:</p> <ul style="list-style-type: none"> — Information to customers on external services through which the customers can receive support; 		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> – Process to identify accounts of customers affected by family violence without requiring customers to repeat the details of the issue; – Process by which information provided by customers regarding family violence are protected; and – Process by which payment difficulties are addressed in circumstances of financial hardship. 		
192	<p>Water Services Code of Practice (Family Violence) 2020 Clause 5(2)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>The licensee must have a family violence policy before the end of the six-month period starting on either: 9 December 2020; or if the day of the grant of the licensee’s licence is after 9 December 2020, the day of the grant of the licensee’s licence.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Team Leader Policy & Compliance – Specialist Customer Assurance – Lead Financial Support <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – Water Corporation website – Water Corporation Family Violence Policy <p>The <i>Water Corporation Family Violence Policy</i> was developed in February 2021 and was released on 4 March 2021. Therefore, the policy came into effect prior to the 9 June 2021 deadline</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
193	<p>Water Services Code of Practice (Family Violence) 2020 Clause 6</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>A licensee must publish its family violence policy on its website and provide a hard copy of the policy to a customer on request and at no charge.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Lead Financial Support <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Water Corporation website — Water Corporation Family Violence Policy <p>We confirmed that the <i>Water Corporation Family Violence Policy</i> is available on the Corporation’s website. It can be located if customers type family violence into the website’s search function. The policy appears as the top search result when the phrase “water corporation family violence” is typed into search engines.</p> <p>On the top of page 3 of the <i>Water Corporation Family Violence Policy</i> in italics it states the following:</p> <p><i>“if you wish to access a hard copy of this policy (at no charge), please contact us via our contact details listed at the bottom of this policy”.</i></p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
194	<p>Water Services Code of Practice (Family Violence) 2020 Clause 7</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>A licensee must review its family violence policy at least once in every 5-year period, and additionally, if directed to do so by the Minister.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Lead Financial Support <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Water Corporation Family Violence Policy — Family Violence – Financial Support Work Instruction — Family Violence Policy PCY395 – Process for Review and Updating <p>The <i>Family Violence Policy PCY395 – Process for Review and Updating</i> set the requirement to review the policy every 5 years., Water Corporation has committed to reviewing our policy every two years (biennially).</p> <p>Our enquiries determined that the Minister did not direct the Water Corporation to review the Water Corporation Family Violence Policy within the review period.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>	NP	N/R

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
195	<p>Water Services Code of Practice (Family Violence) 2020 Clause 8 (1)</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>A licensee must maintain adequate records in relation to compliance with this code or any policy made under the code. If the licensee is a government organisation, as defined in section 3(1) of the State Records Act 2000 (WA), then records must be maintained in accordance with its obligations under that Act.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Lead Financial Support <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Financial Support Work Instruction — Water Corporation Record Keeping Plan — S212 Records Management <p>We established that the <i>Family Violence Policy</i> and all associated documentation are stored in Nexus, the Corporation's document management system and in GRANGE Software as well.</p> <p>We confirmed that under the <i>State Records Act 2000 (WA)</i>, the Corporation is defined as a "Certain Government Organisation".</p> <p>We obtained the Corporation's Record Keeping Plan, which sets out the matters about which records are to be created and retained. Specifically, Section 2.2.7 of the Record Keeping Plan prescribes the frequency and retention of website snapshots, ensuring adequate controls are in place against this obligation.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
196	Not Applicable to the Water Corporation				
197	<p>Water Services Code of Practice (Family Violence) 2020 Clause 9</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>When a customer affected by family violence first contacts a licensee about a particular matter relating to the family violence, the licensee must inform the customer of the existence and operation of the licensee's complaints procedure under clause 46 of the Water Services Code of Conduct (Customer Service Standards) 2018.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Lead Financial Support <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Water Corporation Family Violence Policy — Family Violence – Financial Support Work Instruction — Water Services Code of Conduct (Customer Service Standards) 2018 <p>This obligation was added the <i>Water Compliance Reporting Manual</i> on the 4 March 2021. As per <i>Section 5 (2)</i> of the Code, the policy must be in place by the 9 June 2021. <i>PCY395 Family Violence Policy /113971715</i> was published to the Corporation's CorDocs on 30 March 2021.</p> <p>Our enquiry indicated that that the Financial Support team do not provide information on the Corporation's customer complaints process in their first interaction when a customer discloses domestic violence. This is due to the sensitivity of calls received that are related to family violence, in which the conversation does not always lend itself to notifying the customer about the complaints handling procedure.</p> <p>We consider the impact on customers, if any, would be minor.</p>	B	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Recommendation - Reference No 25/2022</p> <p>We recommend that the Corporation implement an integrated approach to the complaint training process focussing on matter relating to the family violence in particular informing the customer of the existence and operation of the Corporation's complaints procedure.</p>		
198	<p>Water Services Code of Practice (Family Violence) 2020 Clause 10</p> <p>OL 16: Clause 4.1.1</p> <p>OL 17: Clause 4.1.1</p> <p>A licensee must ensure that its website contains a link that provides access to the current version of the code as it appears on the website that is maintained by or on behalf of the Western Australian Government and that provides public access to electronic versions of Western Australian legislation.</p>	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Team Leader Policy & Compliance — Specialist Customer Assurance — Lead Financial Support <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — Family Violence Policy — Water Corporation website <p>Through discussions with key stakeholders, examination of key documents, and search on the Corporation's website, we observed that the Corporation has a search tool that enables the public to look for the <i>Water Services Code of Practice (Family Violence) 2020</i> legislation.</p> <p>The Corporation has a website with a sub-page named "<i>Our commitment against family violence</i>", which can be found at:</p> <p>https://www.watercorporation.com.au/About-us/Our-commitments/Family-violence-policy</p> <p>In the middle of the webpage, a paragraph states "<i>If you have any questions about our Family Violence Policy, please contact us at (08) 9240 0526</i>", and</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>direction quotation mark to visit the Government of Western Australia for the <i>Water Services Code of Practice (Family Violence) 2020</i>.</p> <p>By clicking on the hypertext link, the public can access to electronic versions of the legislation.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
Schedule 2 – Performance Standards					
1.1 Potable Water Systems – Pressure and Flow Standards					
1.1.1	<p>Potable water system – pressure and flow standards</p> <p>Provide continuity of pressure and flow for services in accordance with the following standard:</p> <p>Perth Metropolitan</p> <p>15 minimum static pressure, 100 maximum static pressure, 20 litres minimum flow</p> <p>Country Urban Areas</p> <p>13 minimum static pressure, 100 maximum static pressure, 20 litres minimum flow</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Manager Customer Networks – Planner Customer Networks (acting) – Manager Customer Networks – Team Leader Policy & Compliance – Senior Advisor Policy and Compliance – Specialist Customer Assurance – Manager Regulation and Research – Head of Asset Investment Planning Metro – Specialist Water Services Licence <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – Criteria for Drinking Water Supply – Pressure and Flow Exemption Procedure – DS 60 Water Supply Distribution Standard – DS 63 Water Reticulation Pipelines DN 250 and Smaller – High Low-Pressure Audit 2022 Email-pressure and flow modelling – GDL-PL-001-Guideline-Approach for Determining Whether a Property Receives a High- or Low-Pressure Exemption 	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Planning water network is governed by a process which ensure customers receive the required pressure and flow by building in margins of safety into several steps of a process (e.g., if a customer must receive greater than 17m, the scheme is modelled to ensure all customers receive at least 19m).</p> <p>Peak demand scenario used in the modelling is also a peak day peak week scenario which is greater than all actual demand scenarios, the outcome of this is that most customers receive minimum pressure in the order of 25m or greater. This does not include non-standard conditions such as periods of firefighting when pressures may be lower.</p> <p>The design and construction of the system are governed by respective standards such as DS60 (Water Supply Distribution) standard which ensure required outcomes. The nature of hydraulic networks (i.e., pressure is governed by the elevation of a tank or similar which is relatively fixed) is such that there is little variation over time unless there is a change in the configuration of the network and/or new demand comes onto the network. With these customers, the modelling and planning for the network is revisited to ensure pressure and flow requirements are maintained, as part of this process, field measurements of pressure and flow will be taken to ensure calibration of the model and /o r data collected from fixed pressure and flow meters in the network.</p> <p>Through this planning and design process for water networks, the Corporation is assured that customers will receive the required pressure and flow. Reactive monitoring of pressures and flows are conducted when customer complaints are received.</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>No issues identified.</p> <p>Recommendation</p> <p>Not Applicable</p>		
1.2 Potable Water Systems – Pressure and Flow Exemptions					
1.2.1	<p>Water Services Act Section 12</p> <p>Potable water system – pressure and flow standards</p> <p>Licensee must notify:</p> <p>(a) new customers upon purchase of the affected property as soon as practicably; and</p> <p>(b) existing customers at least annually,</p> <p>If the pressure and flow of the water supplied falls outside of standard pressure and flow range set out in clause 1.1 of this Schedule.</p> <p>The notification in clause 1.2.1 must advise the customer whether the pressure and flow of water supplied to the customer’s property will be lower or higher than the pressure and flow range set out in clause 1.1 of this Schedule.</p>	2	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Manager Customer Networks – Planner Customer Networks (acting) – Manager Customer Networks – Team Leader Policy & Compliance – Senior Advisor Policy and Compliance – Specialist Customer Assurance – Manager Regulation and Research – Head of Asset Investment Planning Metro – Specialist Water Services Licence <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – Notifying New Owners of Service Conditions – Process for Farmland Properties – Process Service By Agreement – Non-Standard Water Services – Terms of Reference – PR-308 Pressure and Flow Exemption Procedure 	B	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>In July 2016, the ERA amended the WSL to require the Corporation to annually notify new and existing customers who are impacted by non-standard water pressure. Historically, the Corporation did not proactively notify property owners and prospective property buyers of their non-standard water service.</p> <p>Due to unavoidable and operational constraints, customers can receive water pressure outside of the standard pressure range. These customers are therefore exempt from the requirements of the WSL and are responsible for managing their own water pressure. These customers can be identified via Grange within the 'Agreement' field.</p> <p>For new and existing customers, the Corporation is required to notify them of their pressure and flow range to remain compliant with the WSL.</p> <p>To assist customers who, have high water pressure and to accommodate those that want to reduce the water pressure on their property the Corporation has made the decision to pay for the installation and replacement of a pressure reducing valve (PRV).</p> <p>In accordance with the WSL and to educate customers, the Corporation will conduct the following to remain compliant:</p> <ul style="list-style-type: none"> — Review high and low pressure modelling on an annual basis; — Send notification to high and low pressure customers on an annual basis; — Place a pressure notification on the customer's bill; — Maintain pressure information in Grange; 		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<ul style="list-style-type: none"> – Notify new owners of the properties pressure exemption; – Maintain an external website including FAQ's; and – Pressure exempt properties will also be included in the Landgate “Property Interest Report”, which will put the information in the public domain and allow the opportunity for those purchasing a property to determine if it is subject to a pressure exemption. <p>We sampled 35 accounts identified as being impacted by non-standard water services and did not identify any instances where the customer was not notified or were notified incorrectly of a non-standard water service.</p> <p>In 2021/22, the Corporation had self-reported a breach against Clause 1.2 – Potable Water System 1.2.1(b), in that 69 customers were sent the incorrect information informing them that their properties now meet the required pressure and flow standards and would no longer be identified with pressure and flow exemptions.</p> <p>These properties had not had any changes to the pressure and flow conditions of their water service and were going to be continuing to be receiving water pressure outside of our operating requirement. There were errors in the data set provided for the annual notification process.</p> <p>The Corporation had adopted the following actions addressing the compliance breaches:</p> <ul style="list-style-type: none"> – Clause 1.2.1(a) – Potable Water System <p>The Corporation self-reported a breach against this obligation in May 2022 where the notification of a pressure exemption or</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>non-standard water service was not issued to four (4) new owners at the purchase of their properties.</p> <p>The four accounts were identified on 20 May 2022, it was determined that these customers were not notified due to human error. The four customers would be communicated to on 30 June via email or post by the annual process.</p> <p>Feedback and training have been provided to team members involved in this process. An exception report, along with work instructions has been developed to capture and resolve further errors. This report is refreshed and remedied daily to mitigate further risks.</p> <p>Recommendation</p> <p>A recommendation has not been made as the non-compliance issue was resolved.</p>		
1.3 Water Restrictions					
1.3.1	<p>Water Services Act Section 12</p> <p>The licensee must notify the ERA annually of any restrictions applied in accordance with the Water Services Regulations 2013 to a potable water supply, detailing restrictions by scheme, type (severity), duration, start date and number of services affected.</p>	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Customer Networks — Planner Customer Networks (acting) — Manager Customer Networks — Team Leader Policy & Compliance — Senior Advisor Policy and Compliance — Specialist Customer Assurance — Manager Regulation and Research — Head of Asset Investment Planning Metro 	NP	N/R

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>– Specialist Water Services Licence</p> <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – Annual ERA Performance Reporting Work Instruction – PCY142 Temporary Water Restrictions – Metropolitan Perth Temporary Water Restrictions Procedure – Regional Temporary Restrictions Procedure – Water Restrictions Register – Water Restrictions Register Maintenance Work Instruction – Sprinkler Rosters and Outdoor Use Information Sheet <p>The requirement of this obligation is to notify the ERA annually of any water restrictions. Risk & Assurance Business Unit (RABU) is the stakeholder manager for the ERA. As such, RABU submit details of restrictions to the ERA annually in October at the same time as the performance reporting submission. RABU have a work instruction which includes a step to contact Strategy & Stakeholder for restriction information. As such RABU, contact Asset Strategy annually to request the required restriction information.</p> <p>Asset Strategy maintains a register of temporary water restrictions, linked in the supporting documentation below. The register records the name of the scheme or town that the restriction applies, the region in which the scheme or town is located, the stage of restriction, the start and end date of the restriction (if the restriction is operational for a period of less</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>than 90 days whereby a specific end date will have been specified) and any other relevant comments. The register is maintained according to the maintenance work instruction.</p> <p>The Corporation has procedures which outline the process and methods to be undertaken to impose/alter temporary water restrictions in both metropolitan and regional schemes.</p> <p>Our review of the register of temporary water restrictions did not identify any restrictions during the audit scope period.</p> <p>Recommendation Not Applicable</p>		
4.1 Drainage service standards					
4.1.1	The licensee must operate, manage, maintain, plan and construct its drains and drainage schemes as set out below, and shall consult in relation to such activities as required by this Schedule.	4	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Head of Asset Investment Planning Metro — Manager Drainage and Liveable Communities Manager Customer Networks <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — 1977 PWDWA Rural Drainage Manual Standards — DSS – Urban Main Drainage Standard — Geotech Report for Preston Reiver Flood Levees — PP030 Rural Drainage in Road Reservations — PP002 Rural Drainage 	NP	1
4.1.2	4.1.2 Urban drainage scheme infrastructure provided by the licensee for the purpose of			NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>protection against flooding shall be designed, constructed, operated and maintained such that the peak flows of stormwater runoff from rainfall events can be accepted into and will not overflow from the system in accordance with the following standard: Drainage – Design of new urban infrastructure Design of new urban drainage scheme infrastructure protects against flooding from peak flows of stormwater runoff from rainfall events with intensities up to:</p> <ul style="list-style-type: none"> – Residential – 5-year average recurrence interval – Commercial – 10-year average recurrence interval 		<ul style="list-style-type: none"> – PP005 Drainage Services – PCY239 Rural Drainage – S478 Maintenance Standard Drainage Pumping Station and Pressure Main <p>Section 4.1.1</p> <p>Through discussions and review of the PP005 Drainage Services policy, we noted that the Corporation deliver drainage services through several business units within the Corporation, namely Infrastructure Planning, Asset Management, Environment, Infrastructure Design and Water Efficiencies, together with the South West and Great Southern Regions.</p> <p>Section 4.1.2</p> <p>Design Standard DS 66 Urban Main Drainage Standard specify requirements that assure effective design and delivery of fit for purpose Water Corporation infrastructure assets for best whole-of-life value with least risk to Corporation service standards and safety. Design standards are also intended to promote uniformity of approach by asset designers, drafters and constructors to the design, construction, commissioning and delivery of water infrastructure and to the compatibility of new infrastructure with existing like infrastructure.</p> <p>Through discussion with relevant personnel, we confirm that the Design Standards draw on the asset design, management and field operational experience gained and documented by the Corporation and by the water industry over time. They are intended for application by Corporation staff, designers, constructors and land developers to the planning, design, construction and commissioning of Corporation infrastructure</p>		
4.1.3	In the above table the meaning of the term “average recurrence interval” shall be consistent with the discussion on probability concepts for flood estimation and rainfall intensity – frequency – duration estimation, as contained in Books 1 & 2 respectively of the Institution of Engineers Australia publication, Australian Rainfall and Runoff (1987).			NP	1
4.1.4	In planning and designing urban infrastructure, the licensee must have due regard to the principles, concepts and recommendations of Australian Rainfall and Runoff (1987).			NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
4.1.5	If, prior to 1 January 1996, the licensee constructed drainage infrastructure to levels of service standards which were less than those specified in this Schedule then there will be no obligation under this licence for the licensee to upgrade any infrastructure existing as at 1 January 1996, to meet the above standards where there have been no instances of flooding confirmed to be due to the under capacity of the infrastructure to meet those standards. Where there have been instances of flooding confirmed to be due to under capacity of infrastructure to meet the standards of this Schedule, the licensee must upgrade the infrastructure to those standards or must take such action as agreed with affected customers.		<p>including water services provided by land developers for takeover by the Corporation.</p> <p>We noted that as at 1 May 2020 the Corporation is no longer required to complete the desk audit for drainage.</p> <p>Section 4.1.3</p> <p>We examined the drainage policies and noted that the term “average recurrence interval” has been used to describe the probability concepts for flood estimation and rainfall intensity – frequency, also referred to by the Corporation as ARI. This has been reflected for instance in the flood protection works as it is used to define the level of operation and maintenance to cater for the peak flows of stormwater runoff from individual rainfall events. The ARI for Preston River levees for instance has been set at 1 in 100 year and the ARI for Vasse River Diversion 1 in 20 year. This appears to be consistent with Book 1 & 2 of the Institution of Engineers Australia publication, Australian Rainfall and Runoff (1987).</p>	NP	1
4.1.6	The drainage system will accept drainage water from Local Government works but will not be required under this licence to be upgraded to accept any additional drainage water.		<p>Section 4.1.4</p> <p>Through discussions and review of drainage policies, we noted that the Corporation follows the principles, concepts and recommendations of the Institution of Engineers Australia publication, Australian Rainfall and Runoff (1987) when conducting modelling for scheme and capacity reviews, which incorporates design rainfalls, catchment parameters and major/minor storm analysis.</p>	NP	1
4.1.7	Notwithstanding that the licensee’s urban drainage infrastructure shall itself be designed to the capacity standards listed in this Schedule, in planning and designing such infrastructure the licensee must have due regard to the major/minor concept of drainage design discussed in Book 8, 1.5.1 of		<p>Section 4.1.5</p> <p>For those drains constructed under previous standards, i.e., prior to 1 January 1996, there have been no circumstances</p>	NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>Australian Rainfall and Runoff (1987). Such due regard will be adequately demonstrated:</p> <p>(c) in the case of it undertaking, commissioning or accepting a design for new drainage infrastructure, by the licensee ensuring that the local authorities involved have been made aware of the predicted response of the combined major/minor system to major storm events, for the information of those authorities in relation to their responsibilities for the establishment and management of the major (as described in Australian Rainfall and Runoff (1987)) elements of the major/minor system infrastructure; and</p> <p>(d) in the case of it undertaking a capacity review of an existing licensee drainage scheme, by the licensee causing a broad assessment to be made of the behaviour of the combined major/minor system under major event conditions, and conveying the conclusions of such assessment to the local authorities involved, for the information of those authorities in relation to their responsibilities for management of the major (as described in Australian Rainfall and Runoff (1987)) elements of the major/minor system infrastructure.</p>		<p>where flooding due to capacity has required the drain to be upgraded to current standards.</p> <p>The Corporation has no non-compliances to report in 2020/21 and 2021/22 even though the flood register carried 2 entries of flooding (for rainfall events for which the Corporation was required to provide flood protection). This is because the Corporation continually identifies any shortfalls in capacity and undertakes upgrades under a structured capital program.</p> <p>Section 4.1.6</p> <p>The Corporation allows and accepts drainage water from Local Government works, but not unlimited drainage water as it would result in constantly upgrading the main drainage systems.</p> <p>It is our understanding that there are no agreements or Memorandum of Understanding's (MOU's) in place as it has been standard and accepted drainage practice in the Metro area for many years that post development flows must be kept to pre-development levels. The Department of Planning, the various Environmental Regulators, developers, consultants and drainage service providers (such as the Corporation, Main Roads WA and Local Authorities) all work towards implementing this requirement for existing and future land developments.</p> <p>Section 4.1.7</p> <p>The standards specified in Section 4.1.2 are for the minor storm event and the Corporation is responsible for this in the main drainage catchments, which only cover about 40% of the Metro area. Major storm events are higher than those specified in Section 4.1.2 and are the responsibility of local authorities which is managed through the setting of building floor levels and road</p>		
4.1.8	The licensee will ensure all new rural drainage infrastructure complies with the Rural			NP	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>Drainage Manual of Standards 1977. The licensee shall endeavour to operate and maintain its rural drainage infrastructure so that the period of inundation to land abutting a drain that forms part of the system shall be a maximum of 72 hours. If the period of inundation should exceed 72 hours the licensee must carry out an investigation of the adequacy of those operations and maintenance procedures. An exception is those low lying land areas where the contours make this impossible or where detention basins have been constructed for the retention of water for longer periods. Low lying areas include those areas within lots which abut the drain, which would normally not readily drain to the drain. However, land that would normally drain to the drain, but where this is prevented by high flow levels in the drain, will be subject to the maximum 72 hour inundation period. This inundation period shall apply provided multiple storm events do not increase flow levels in the drains above the rural drainage infrastructure discharge points. The drainage system serves the general drainage requirements of rural properties in the Drainage Services Control Areas and there will be no obligation under this licence for the licensee to extend the service to other properties, "or serve urban drainage development within the rural areas."</p>		<p>levels through their town planning schemes. The Corporation is obliged to consider the major storm event in their planning and convey their findings to local authorities for their information and action.</p> <p>Section 4.1.8</p> <p>We observed that the Corporation had no instances where the period of inundation to a land exceeded 72 hours and as such no action was required by the Corporation.</p> <p>Section 4.1.9</p> <p>We understand from discussion that these assets are located in the South West Region and are considered as flood protection works and not urban or rural drainage schemes.</p> <p>The Geotech report for Preston River Flood Levees for Preston River Levees and Vasse River Diversion concluded that the levees in their current state are likely to be capable of withstanding modest flood loading as these levees have most likely experienced a number of flood events of various peaks, flow velocity and duration through the passage of time.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	The licensee will ensure all new rural drainage infrastructure complies with the Rural Drainage Manual of Standards 1977.				
4.1.9	<p>The following flood protection works will be operated and maintained to cater for the peak flows of stormwater runoff from individual rainfall events set out below.</p> <p>Preston River levees at Bunbury – Leschenault inlet to Picton bridge = 1 in 100 years;</p> <p>Vasse River Diversion in Busselton = 1 in 20 years.</p>			NP	1
5.1 – Irrigation Service Standards					
5.1.1	The licensee must supply water that is suitable for irrigation purposes.	3	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> – Manager Operations Compliance – Manager Operations Analytics & Support – Specialist Operations Performance – Manager Customer Networks – Team Leader Policy & Compliance – Specialist Customer Assurance – Senior Advisor Policy and Compliance 	A	1
5.1.2	The licensee must provide at least 5 business days' notice to a customer of any planned service interruption.	3		A	1
5.1.3	<p>The licensee must comply with the standards set out below:</p> <ul style="list-style-type: none"> – < 1,200 mg/L TDS irrigation water quality 	3		A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>> 90 percentage of customers given 5 days' notice of a planned interruption.</p>		<p>The following documents were reviewed:</p> <ul style="list-style-type: none"> — NWR Ord Irrigation (OIC) Customer Notification Work Instruction — NWR Ord Irrigation (OIC) Management Ord Irrigation Customers Work Instruction — PM-14540965-NWR_Ord_Irrigation_Register_of_Customers — Drinking Water Sampling Procedures — Field and Laboratory Test Procedures <p>Section 5.1.1</p> <p>Through discussions and review of the Drinking Water Sampling Procedures and the Field and Laboratory Test Procedures we observed that the Corporation send water samples or analysis to an external contracted laboratory namely SGS Australia.</p> <p>The Corporation's employees involved with taking water samples for testing at the laboratory are trained in the sampling processes. Testing and analysis on the water samples are conducted on a regular basis.</p> <p>The Corporation has a well-documented procedure (Drinking Water Sampling Procedures – also used for irrigation water testing) and field and laboratory testing manual (Field and Laboratory Test Procedures) in place for field sampling, which describes the process for sampling and dispatching samples to the laboratory, and the testing process.</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>Section 5.1.2</p> <p>Through interviews, a review of the NWR Ord Irrigation Customer Notifications work instruction and a sample review of planned service interruptions, we confirm that the Corporation provide at least 5 business days' notice to customers.</p> <p>Section 5.1.3</p> <p>Through discussions and review of the Kununurra Irrigation Channel lab tests conducted for the audit period, we noted that the Corporation's water quality TDS target, for irrigation water, is <1200mg/L.</p> <p>We confirm that the Corporation's water quality for irrigation purposes is within the required specification.</p> <p>We tested a sample of planned interruptions and confirm that all customers were provided with 5 days' notices for planned interruptions.</p> <p>Recommendations</p> <p>Not Applicable</p>		
6.1 – Farmlands Areas Water System Standards					
6.1.1	<p>In cases where services are provided by agreement to farms the licensee must provide annual notifications to customers of the conditions under which the service is supplied as detailed as follows:</p> <ul style="list-style-type: none"> Farmlands water services where services are provided by agreement and customers are 	2	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> Manager Operations Compliance Manager Operations Analytics & Support Specialist Operations Performance Manager Customer Networks Team Leader Policy & Compliance 	B	2

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<p>notified of the conditions under which services supplied.</p> <p>In every twelve-month period 95% of customers receiving these services were notified of the conditions under which water was supplied.</p>		<ul style="list-style-type: none"> – Specialist Customer Assurance – Senior Advisor Policy and Compliance <p>The following documents were reviewed:</p> <ul style="list-style-type: none"> – Notifying New Owners of Service Condition – Process Non-Standard Water Service – Process Non-Standard Water Service – Terms of Reference – Pressure and Flow Exemption Procedure <p>The Corporation had self-identified the following breaches:</p> <ol style="list-style-type: none"> 1. The Corporation self-reported a breach in 2020-21. 110 customers were identified whom did not receive the annual notification of the water supply conditions for the property. <p>This breach was identified through the Data Anomaly work. This was implemented to ensure our anomalies reporting processes are adequate in identifying and correcting all revenue and obligative anomalies that affect our customers. New reporting was implemented in October 2021 to capture accounts not meeting this obligation. The 110 accounts were amended on 23rd November 2021.</p> <ol style="list-style-type: none"> 2. The Corporation self-reported a further breach in 2020-21. 12 customers were identified whom did not receive the annual notification of the water supply conditions for the property. This breach was identified through the Data Anomaly work as above. This was implemented to ensure 		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
			<p>our anomalies reporting processes are adequate in identifying and correcting all revenue and obligative anomalies that affect our customers. New reporting was implemented in October 2021 to capture accounts not meeting this obligation. The breach was identified on 13 May 2022 and the breach was caused by human error whereby these properties did not include an FLSC agreement code in the system. This FLSC agreement code automates the notification of service conditions to applicable customers. The issue was rectified on 19 May 2022.</p> <p>Recommendations</p> <p>A recommendation has not been made as the non-compliance issue was resolved.</p>		
6.1.2	<p>Subject to customers complying with licensee requirements the licensee must ensure that customers connected to its Farmlands Water Systems shall have, at the outlet of the water meter to their property, a water pressure and flow detailed as follows:</p> <ul style="list-style-type: none"> — Farmland services supplied from the Goldfields and Agriculture Water Supply, the Great Southern Town Water Supply Scheme and Mid-West Region: <ul style="list-style-type: none"> — Minimum static pressure (metres of water) – not applicable 	2	<p>The following personnel were interviewed:</p> <ul style="list-style-type: none"> — Manager Operations Compliance — Manager Operations Analytics & Support — Specialist Operations Performance — Manager Customer Networks — Team Leader Policy & Compliance — Specialist Customer Assurance — Senior Advisor Policy and Compliance <p>The following documents were reviewed:</p>	A	1

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<ul style="list-style-type: none"> — Maximum static pressure (metres of water) – 200 — Minimum flow – 3kL/day per service — Rural Water Supply Schemes: <ul style="list-style-type: none"> — Minimum static pressure (metres of water) – not applicable — Maximum static pressure (metres of water) – 200 — Minimum flow – 1.8kL/day per service — Farmlands area water systems – pressure and flows are kept within the acceptable range <ul style="list-style-type: none"> — From complaints received, the number of services with confirmed water pressure/flow faults divided by total number of water service connections expressed as a % and then subtracted from 100. — The flow rate and dynamic pressure is measured at the meter over a period, so as to confirm the available flow meets the minimum standard. — Maximum pressure is measured as a static pressure (no flows) at the same point. — Does not include poor pressure due to bursts or planned activities. 		<ul style="list-style-type: none"> — Notifying New Owners of Service — Process Non-Standard Water Service — Process Non-Standard Water Service – Terms of Reference — Pressure and Flow Exemption Procedure — Monitoring Flow & Pressure on Farmlands & Rural Water Supply Services <p>The Corporation has developed instructions in <i>Monitoring Flow & Pressure on Farmlands & Rural Water Supply Services</i> to investigate complaints by customers regarding low pressures or flows at Farmlands or Rural Water Supply Services.</p> <p>Additionally, the Corporation measure compliance with this obligation based on the infrastructure design model and by dividing the number of complaints received with the number of Farmland properties who receives water services.</p> <p>For the 2020-21 year, the Corporation reported 99.8% of farmlands water systems customers have at the outlet of the water meter to their property, a water pressure and flow within the accepted range.</p> <p>No issues identified.</p> <p>Recommendations</p> <p>Not Applicable</p>		

Ref No.	Licence Reference & Summary of Licence Obligation	Audit Priority	Observations and Recommendations	Controls Rating	Compliance Rating
	<ul style="list-style-type: none"> — In the preceding 12-month period 99.8% of farmlands water systems customers have, at the outlet of the water meter to their property, a water pressure and flow as listed above 				

Appendix 1: Obligations Audited in the Great Southern Region

Number	Obligation Under	Licence Clause	Description
16	Water Services Act 2012 Section 77(3)	Clause 4.1.1	The licensee must take reasonable steps to minimise the extent or duration of any interruption of water services it is responsible for.
25	Water Services Act 2012 Section 106(2)	Clause 4.1.1	The licensee must include the information specified in a compliance notice given in relation to failure to maintain fittings, fixtures and pipes.
32	Water Services Act 2012 Section 129(5)	Clause 4.1.1	If a routine inspection or maintenance is likely to cause disruption to the occupants of a place at least 48 hours' notice of a proposed entry must be given to the occupier of the place unless the occupier agrees otherwise.
34	Water Services Act 2012 Section 141(1)	Clause 4.1.1	A person authorised by the licensee may enter a road and exercise a works power of the licensee without consent, notice or warrant unless the exercise of the power involves opening or breaking up the surface of the road, or would cause a major obstruction of the road or disruption of the traffic, in which case the licensee must give at least 48 hours' notice to the public authority that has control or management of the road.
49	Water Services Act 2012 Section 173(4)	Clause 4.1.1	In relation to entry to a place for the purposes of doing works, in the circumstances specified the licensee is required to give 48 hours' notice of proposed entry to a place to the occupier or owner, as applicable, unless the occupier or owner agrees otherwise.
50	Water Services Act 2012 Section 174(1)	Clause 4.1.1	Notice of a proposed entry by the licensee must be in writing and must set out the purpose of the entry, including (if applicable) any work proposed to be carried out.
51	Water Services Act 2012 Section 174(3)	Clause 4.1.1	Even if in a particular instance the licensee may enter a place under the Act without having to give notice of proposed entry, the licensee must when practicable, and when it will not compromise the reason for entry, give notice of entry to the occupier
52	Water Services Act 2012 Section 175(2)	Clause 4.1.1	If an occupier is present when the licensee proposes to enter a dwelling, the licensee must perform the prescribed actions before entering the premises.

Number	Obligation Under	Licence Clause	Description
53	Water Services Act 2012 Section 175(5)	Clause 4.1.1	If the licensee enters a dwelling that is unoccupied, the licensee must leave a notice, which includes the prescribed information, or a copy of the warrant (as applicable) in a prominent position in the dwelling before leaving the dwelling.
54	Water Services Act 2012 Section 176(1)	Clause 4.1.1	If the licensee has entered a place with or without consent, the licensee must leave the premises as soon as practicable after being notified that the owner or occupier has refused or withdrawn their consent.
55	Water Services Act 2012 Section 176(3)	Clause 4.1.1	The licensee must produce their certificate of authority if asked to do so, and must not perform, or continue to perform, a function under the Act if they are not able to do so.
56	Water Services Act 2012 Section 176(4)	Clause 4.1.1	If the licensee enters or proposes to enter a place, and the owner or occupier requests the licensee produce evidence of authority for that entry, then the licensee must leave the place if they are unable to do so unless the owner or occupier agrees otherwise.
57	Water Services Act 2012 Section 181	Clause 4.1.1	The licensee, or a person assisting the licensee, must, as far as is practicable comply with any reasonable request from the owner or occupier intended to limit interference with the lawful activities of the owner or occupier.
58	Water Services Act 2012 Section 186	Clause 4.1.1	If the licensee applies for a warrant, the application must contain the prescribed information.
59	Water Services Act 2012 Sections 187(1) – (3)	Clause 4.1.1	If the licensee applies for a warrant to enter, the application must be made in accordance with the procedures specified depending on the location of the applicant and the justice.
60	Water Services Act 2012 Section 190(4)	Clause 4.1.1	Unless required to give a copy of the warrant, the licensee executing the warrant must produce the warrant for inspection by the occupier of the place concerned on entry (if practicable), and if requested to do so.
62	Water Services Act 2012 Section 210(5)	Clause 4.1.1	If the licensee designates a person as an inspector or compliance officer, the licensee must give that person a certificate of authority that includes certain prescribed information.

Number	Obligation Under	Licence Clause	Description
63	Water Services Act 2012 Section 218(2)	Clause 4.1.1	In the exercise or purported exercise of a power under the Act, the licensee must ensure that, to the extent practicable, the free use of any place is not obstructed, and that as little damage, harm, or inconvenience is caused as is possible.
64	Water Services Act 2012 Section 218(3)	Clause 4.1.1	If the licensee does any physical damage in the exercise of a works power or a power of entry, the licensee must ensure that the damage is made good and pay compensation to the extent that it is not practicable to make good the damage.
75	Water Services Regulations 2013 Regulation 63	Clause 4.1.1	If the licensee opens or breaks up the surface of a road, the licensee must complete the relevant work and reinstate and make good the road and must take all reasonable measures to prevent that part of the road from being hazardous.
89	Water Services Regulations 2013 Regulation 85	Clause 4.1.1	Compliance notices issued by the licensee must include a brief description of the possible consequences under the Act of not complying with the notice, and the rights of review under the Act in relation to the notice and who may apply for review.
90	Water Services Regulations 2013 Regulation 86(6)	Clause 4.1.1	If the licensee appoints an employee as an authorised or approved officer for the purposes of the Criminal Procedure Act 2004 Part 2, the licensee must issue the officer a certificate, badge or identity card identifying the officer as a person authorised to issue infringement notices.
91	Water Services Regulations 2013 Regulation 86(9)	Clause 4.1.1	The licensee must maintain a list of persons appointed to be authorised officers or approved officers for the purposes of the Criminal Procedure Act 2004 Part 2, and must, on request, give a copy of the list to the CEO or to the chief executive officer of the Public Services principally assisting in the administration of the Criminal Procedure Act 2004.
93	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 9(2) and (4)	Clause 4.1.1	The licensee must ensure that, in any 12 month period, 90% of water supply service connections are completed before the end of 10 business days, starting on the day on which the customer has paid the relevant fees and complied with the relevant requirements.

Number	Obligation Under	Licence Clause	Description
144A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 43(1)	Clause 4.1.1	The licensee must give notice of any planned service interruption to each customer that will be affected by the service interruption
144B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 43(2)	Clause 4.1.1	The notice of any planned service interruption must be given within the prescribed timeframes.
154D	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 53	Clause 4.1.1	Despite clause 43(3), in the case of a service interruption that will affect a supply address recorded on the preserved supply register, the notice required by clause 43(1) must be sent by post or delivered to that supply address.

Appendix 2: Personnel Interviewed During the Operational Audit

Name	Position
Adrian Stratico	Team Leader LGS Wastewater, Drainage and Forestry
Alan Warburton	Head of Operations Centre
Andrew Crawford	Manager Customer Networks
Andrew Pascoe	Manager Regulation and Compliance
Anthony Dilorito	Team Leader Creation & Process Services
Brian Handcock	Manager Property Portfolio
Briana Mason	District Work Planner UGS
Carolyn Hills	Manager Regulation and Research
Catherine Fewings	Manager Operations Delivery
Christine Stuart	Manager Operations Analytics & Support
Damien Postma	Manager Demand Delivery
Dan Poole	Manager Capability (acting)
Danielle Higgs	Manager Asset Management System & Risk
Deb Evans	Head of Financial Services
Delnaz Ghadiali	Manager Customer Networks
Dominic Papalia	Lead Property Acquisitions
Elissa Zisis	Team Leader Concession & Conveyancing Services
Elleke Bosworth	Manager Support Services
Greg Pickering	Manager Metering Services
Helen Forte	Head of Asset Strategy
Helen Wanless	Lead Operations
Ian Gibb	Manager Asset Performance
Jackie Conway	Team Leader Payments & Sundry Billing
Jessica Smith	Specialist Water Services Licence
Jo Harvey	Manager Customer Support
John Van Den Hurk	Head of Asset Investment Planning Metro
Jonathan Woon	Officer Water Use Investigations (acting)
Julia Krsnik	Head of Asset Investment Planning Regional
Kevin Hathaway	Team Leader Civil Lower Great Southern
Maria Russo	Head of Legal Services
Mark Harris	Lead Financial Support
Matt Ferguson	Support Analyst Regulatory Compliance

Name	Position
Meghan Andrews	Senior Analyst Framework Management
Meredith Copping	Lead Customer Dispute & Resolution
Michael Sillifant	Regional Manager – Great Southern
Michael Stark	Manager Commercial and Industrial Services
Milan Lojanica	Team Leader – Workshop & Stores
Nathan Harding	Head of Engineering
Neeraja Doraikhannu	Team Leader Best Practice (acting)
Nikki Shannon	Team Leader Metro Field Support
Paul Prottey	Manager Service Delivery
Perry Beor	Principal Asset Protection
Peter Davenport	Specialist Customer Assurance
Peter Mcguire	Manager Business Management, Development Services
Prasad Prasad Pullaikudy	Specialist Operations Performance
Ray Willis	Senior Advisor Business Management
Rianna Fitzpatrick	Support Officer Business Services
Richard Pickering	Team Leader Rating Services
Rod Holme	Manager Framework & Systems
Russell Lamb	Head of Infrastructure Markets
Sean Treacey	Coordinator Metro Field Support (acting)
Shannon Mcdowell	Supervisor Meter Reading
Simone Wallace	Senior Advisor Policy & Compliance (acting)
Stuart Penney	Manager Operations Compliance
Susan Bilchuris	Team Leader Business Services
Suzanne Brown	Manager Drainage and Liveable Communities
Tara Evitt	Team Leader Policy & Compliance
Thyie Cao	Senior Advisor Policy and Compliance
Tom Houghton	Manager Asset Monitoring and Investigation
Tom Sippe	Manager Legal Services
Tracey Musca	Support Officer Business Services
Tracy Jorre De St Jorre	Senior Advisor Policy & Compliance
Tristram Fletcher	Planner Customer Networks (acting)
Trudi Farmer	Officer Concession & Conveyancing Service

