

Shire of Dumbleyung – 2014 Operational Audit and Asset Management System Review

Post-Audit Implementation Plan

Reference (no./year)	Non-Compliance/Controls Improvement	Auditor's recommendation	Management action	Person Responsible	Target Date for Completion
01/2014	<p>Notification of changes to asset management system <i>Water Services Act 2012 sections 24(1)(b). Licence condition – Clause 20.2.</i> Not rated.</p> <p>The licensee must notify the Authority of any material change to the asset management system within 10 business days of the change.</p> <p>The requirement to notify the Authority of any significant changes to the asset management system, within 10 business days, is not documented in the Shire's Asset Management Plan nor in any other Shire's internal document e.g. Compliance Schedule.</p>	<ol style="list-style-type: none"> The Shire should ensure that the Authority is notified about any future significant changes to the asset management system within 10 business days. The Shire should update the Asset Management Plan – Monitoring and Review Procedures section for the requirement to notify the Authority of any significant changes to the asset management system within 10 business days. 	<ol style="list-style-type: none"> Will comply with in future. Will update 	CEO	31/7/2015
02/2014	<p>Review of Rates Notices with Sewerage Charges <i>Water Services Act 2012 section 27 Water Services Code of Conduct (Customer Service Standards) 2013 Clause 18(1) – 18(5) Licence condition - Clause 5.3.</i> Non-compliant – minor impact</p> <p>The licensee must have a written procedure for the review of a bill on the customer's request.</p> <p>The Shire does not have a written procedure for review of a bill on the customer's request.</p>	<ol style="list-style-type: none"> The Shire should develop a written procedure for review of bills (rates notices with sewerage charges). The procedure should be made publicly available on the Shire's website and in hardcopy. The procedure should include: <ol style="list-style-type: none"> what happens if the customer has been undercharged or overcharged; what the customer can do if dissatisfied with the outcome of the review that the customer may, but does not have to, use the licensee's complaints procedure before or 	Develop procedure	CEO	31/7/2015

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	The Shire's staff advised that no request for review of the rates notices relating to sewerage charges had been received during the audit period.	<p>instead of 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, to the State Administrative Tribunal.</p> <p>That 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>			
03/2014	<p>Complaints Procedure <i>Water Services Act 2012 section 27</i> <i>Water Services Code of Conduct (Customer Service Standards) 2013 Clause 35(4)</i> <i>Licence condition – Clause 5.3.</i> Non-compliant – minor impact</p> <p>The Shire's complaints handling procedure as outlined in the Shire's Customer Service Charter does not inform the customer that they do not have to use the licensee's complaints procedure, provide details of procedures under the Act, nor does it set out the costs and benefits to the customer if they use the complaint resolution procedure or instead of the procedures under the Act.</p>	<p>The Shire should update its complaints handling procedure in the Customer Service Charter to:</p> <ol style="list-style-type: none"> state that a customer may, but does not have to, use the complaints procedure before or instead of the procedures under the Act i.e. applying to the Water Services Ombudsman or making an appeal from, or applying for a review of, the decision to the State Administrative Tribunal; in addition to an option of applying to the Water Services Ombudsman, list the option of making an appeal from, or applying for a review of, the decision that gave rise to the complaint to the State Administrative Tribunal; and <p>set out the benefits to the customer, in relation to time and costs, if the customer chooses to use the complaints procedure chooses to use the complaints procedure before or instead of the procedures under the Act i.e. Water Services Ombudsman or State Administrative Tribunal.</p>	Update complaints procedure	CEO	31/7/2015

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04/2014	<p>Prescribed Information to be Available in Hardcopy and on Website</p> <p><i>Water Services Act 2012 section 27</i> <i>Water Services Code of Conduct (Customer Service Standards) 2013 Clause 37(1)</i> <i>Licence condition – Clause 5.3.</i></p> <p><i>Non-compliant – minor impact</i></p> <p>The licensee must make the “prescribed information” publicly available. The definition of “publicly available” per Clause 3 of the Water Services Code of Conduct is website and hardcopy.</p> <p>The “prescribed information” is set out in Section 37 of the Code and includes the fees and charges, bill payment options. Concessions, enquiry/translator services, powers of access to premises, interruptions to supply, etc.</p> <p>The auditor noted that this information is not currently available to customers. This information could be partially provided by obtaining a copy of the Department of Water's Easy Reference Guide to the Water Services Code of Conduct and making this available on the Shire's website and in hardcopy at the Shire's office. However, there also needs to be specific information in respect of the Shire's fees and charges, payment options, etc.</p>	<p>The Shire should provide a brochure at the Shire office and on the website with the “prescribed information” for sewerage services as set out in Section 37 of the Code. This includes the fees and charges, bill payment options, discounts/concessions, enquiry/translator services, powers of access to premises, interruptions to supply, etc.</p>	Develop brochure	CEO	31/8/2015

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05/2014	<p>Performance and Compliance Reporting <i>Licence Conditions – Specific Clauses – Provision of Information Clauses 16(1)</i> Non-compliant – minor impact</p> <p>In accordance with the Water Compliance Reporting Manual April 2014, the Shire is required to submit to the Authority:</p> <ul style="list-style-type: none"> • Annual performance reports no later than 31 July for the reporting year ending 30 June; and • Annual compliance reports by 31 August for the year ending 30 June. <p>The auditor reviewed the Shire's correspondence with the Authority and the Compliance and Performance Reports for 2011/12, 2012/13, 2013/14 and noted the following exceptions:</p> <ul style="list-style-type: none"> • The 2011/12 Compliance Report was submitted after the due date and this was reported as a non-compliance in the 2012/13 Compliance Report. • No evidence was available within the Shire's records to confirm that the Performance reports for 2012/13 and 2013/14 were submitted to the Authority by the due date. Therefore, the auditor was unable to confirm 	<ol style="list-style-type: none"> 1. The Shire should ensure that all future Compliance and Performance Reports are submitted to the Authority within the timeframes required. 2. The Shire should keep a record of the submission of the Performance and Compliance reports to the Authority. 	Ensure report meets deadline	EHO	31/7/2015

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	the timely submission of these reports.				
06/2014	<p>Compliance Register <i>Licence condition – Clause 16.2</i> Non-compliant – minor impact</p> <p>As per item 165, the auditor reviewed the licensee's correspondence with the Authority and licensee's Compliance and Performance Reports for the years ending 30 June 2012, 2013 and 2014 and noted exceptions as to the time with the information reporting requirements prescribed by the Water Compliance Reporting Manual.</p> <p>Section 9.3.2.3 of the Audit and Review Guidelines: Water Licenses July 2014 states that Authority expects licensees to maintain a compliance (or breach) register in respect of their licence conditions.</p> <p>The Shire's EHO advised that they don't keep a compliance register. Therefore the auditor was unable to determine whether the compliance reports sent to the Authority during the audit period are consistent with the compliance register.</p>	The Shire should maintain a Compliance Breach register in respect of their licence conditions to ensure that all contraventions of the licence conditions for each financial year are reported to the Authority in the annual compliance report.	Develop compliance breach register	CEO	30/9/2015
07/2014	<p>Internal Policies and Procedures relating to the Licence</p> <p><i>Water Services Act 2012 sections 82(4)&(5), 84(2), 87(2), 90(7), 119(2),</i></p>	The Shire should develop and/or update internal procedures with the requirements under the licence in respect of notification of building works, 48 hours' notice of intention to	Develop/Update internal procedures	CEO	31/10/2015

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	<p>122(2), 128(4), 129(5), 139(3), 142, 143(2)&(3), 144(3), 145(2), 147(3)&(4), 151(1)-(3), 153(3), 165(5)&(6), 170, 173(4), 174(1)&(3), 175(2)&(5), 176(1),(3)&(4), 181, 186, 187(1)-(3), 190(4)-(5), 218(2).</p> <p><i>Water Services Regulations 2013 – Reg. 85.</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2013 Clauses 8, 16(2)-(5), 17(1)- (2).</i></p> <p><i>Licence – Clause 15.1(d)</i></p> <p><i>Not rated</i></p> <p>The licence includes compliance obligations in respect of notification of building works, 48 hours' notice of intention to commence works, decisions under review, compliance notice and consultation with owner, information on compliance notice, actions on persons named in compliance notice, lodgement of memorial, acquiring interest in land, proposal for major works, minimising damage when undertaking works, issuance of compliance notices, under and over charges, and informing the Authority within 10 days of major and general works.</p> <p>Although the audit confirmed these activities had not occurred in the audit period, there are no documented internal procedures that would ensure compliance with these conditions of the licence in future.</p>	<p>commence works, decisions under review, compliance notice and consultation with owner, information on compliance notice, actions on persons named in compliance notice, acquiring interest in land, timeliness of connections, lodgement of memorial, proposal for major works, minimising damage when undertaking works, issuance of compliance notices, under and over charges, and informing the Authority within 10 days of major and general works.</p>			

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08/2014	<p>Compliance Schedule <i>Water Services Act 2012 sections 24(1)(b).</i> <i>Water Services Code of Conduct (Customer Service Standards) 2013 Clauses 26(6).</i> <i>Licence condition – Specific Clauses – Clauses 16(1) and 20(2).</i></p> <p><i>Not rated</i></p> <p>The Shire's staff were unable to locate the Shire's Compliance Deadlines Schedule that was in place during the previous audit period.</p> <p>Therefore, the Shire has no hardcopy record of compliance activities and due dates to comply with the licence.</p>	<p>1. The Shire should develop and implement a Compliance Schedule documenting the compliance activities, responsibilities and due dates including the annual performance and compliance reporting due dates; the requirement to review the financial hardship policy and the next policy review due date; and the requirements to notify the Authority of any significant changes to the asset management system or building works within 10 business days, to ensure that regulatory timeframes are met.</p> <p>The Shire should place the hardcopy Compliance Schedule on the front of the hardcopy Licence file.</p>	Develop and implement compliance schedule	CEO	31/10/2015

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Post-Review Implementation Plan

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09/2014 B3	<p>Asset Creation and Acquisition – Legislative Requirements <i>Ongoing legal/environmental/safety obligations of the asset owner are assigned and understood.</i></p> <p>Section 2.3 of the AMP outlines the legislative requirements. The Health Act, Environmental Protection and Occupational Health, Safety and Welfare are briefly considered.</p> <p>However, the Legislative Requirements Section of the AMP still refers to the Water Services Act 1995 and the operating licence issued in 2009 and do not reflect the most recent changes to the legislation including Water Services Act 2012, Water Services Regulation 2013 and Water Services Code of Conduct (Customer Service Standards) 2013 as well as changes to the operating licence (new version of the operating licence was issued on 18 November 2013).</p>	<p>The Legislative Requirements Section of the AMP should be updated to the reflect the recent changes to the legislative requirements including Water Services Act 2012, Water Services Regulation 2013 and Water Services Code of Conduct (Customer Service Standards) 2013 as well as for the new version of the operating licence issued on 18 November 2013.</p>	Update AMP	CEO	30/6/2016
10/2014 C3	<p>Asset Operations – Asset Register <i>Assets are documented in an Asset Register including asset type, location, material, plans of components, and an assessment of assets' physical/structural condition and accounting data.</i></p> <p>There are no drawing register or "As Constructed" drawings stored on</p>	<p>The Shire should review and update the Asset Register to ensure that all assets are documented in the Asset Register accurately and completely (including the new subdivision assets and alarm monitoring system) and that all required information, including the GPS co-ordinates, is recorded for all asset groups.</p>	As per recommendation	CEO	30/6/2016

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	<p>site. The information within the asset register was extracted from the original construction drawings. Drawings are not available electronically. The AMP provides a summary description of each installation within the scheme. A detailed listing of assets is documented in the Asset Register for the scheme (Excel worksheet).</p> <p>The latest version of the Asset Register worksheet that was available for review seems to be dated March 2011, corresponding with the AMP update in March 2011. No further updates of the worksheet were available beyond this date. Therefore, the new alarm monitoring system installed few years ago, 50 new connections completed in 2013 and a pump that was replaced in 2014 are not included in the Asset Register.</p> <p>The assets in the Asset Register are discretely numbered with an alpha-numeric asset number and include the relevant construction material, asset type and descriptions, construction dates and replacement values for all main asset groups including chambers, pipes and pumping stations, with the exception of waste water treatment plant. The part of the Asset Register related to waste water treatment plant has not been populated, apart from the asset numbers. The reviewer also noted that some of the relevant fields in the Asset Register related to pumping</p>				

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	<p>stations are still marked with question marks. The water re-use is not in operation.</p> <p>Also, the AMP states that the Shire has collected GPS co-ordinates for all accessible access chambers, however no GPS co-ordinates for any asset are recorded in the Asset Register.</p>				
11/2014 C3	<p>Asset Maintenance - Inspections <i>Regular inspections are undertaken of asset performance and condition.</i></p> <p>The AMP states that the asset condition appraisal inspections were conducted in October 2010 for the AMP, however the Asset Condition and Performance Excel spreadsheet sighted was not populated with the assets condition data and performance information.</p> <p>The documentation available for review provided no evidence to substantiate that regular inspections of asset performance and condition are being undertaken.</p>	<p>a) The Shire should undertake a condition appraisal of all assets as soon as practicable and record the results of the appraisal in the Asset Condition and Performance Excel spreadsheet.</p> <p>b) The Shire should priorities the maintenance tasks resulting from the asset condition appraisal and implement a plan for asset condition improvement commensurate with urgency, risk and practicability.</p> <p>The Shire should resume the annual condition appraisal program of all assets.</p>	As per recommendation	CEO	30/6/2016
12/2014 C3	<p>Asset Maintenance – Completion of Maintenance <i>Maintenance plans (emergency, corrective and preventative) are documented and completed on schedule.</i></p>	<p>The Shire should prioritise the recommendations set out in the Department of Health Water Recycling Assessment Report and determine a plan for their implementation commensurate with urgency, risk and practicability.</p>	Do works as allowed by budget	CEO	31/12/2015

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	<p>An Annual Maintenance Management Plan for 2013/14 was sighted. The comprehensive Annual Maintenance Management Plan is part of the AMP and specifies maintenance tasks to be carried out for all assets and the intervals at which they need to be done. The documentation available for review provided evidence to substantiate that routine maintenance is carried out as planned, although some maintenance issues were noted as outlined below.</p> <p>At the WWTP, the concrete structure of the Imhoff tank appears to be in reasonable condition, as is the pipework entering and leaving the tank. The storage ponds were observed to be enclosed by earth banks that are stabilised by grass growing on the inner bank face. The grass on the pond banks should be left intact to stabilise the banks. Erosion from wave action is occurring on the internal bank faces at some locations at the primary stabilisation pond. The secondary stabilisation pond was not fenced, however \$10,000 was already allocated for sewerage pond fence in the Shire's Budget for 2014/15.</p> <p>The Department of Health (DOH) performed an assessment of the scheme against the <i>Guidelines for the Non-Potable Uses of Recycled Water in WA (dated August 2011)</i> in April 2014. The Assessment Report noted identified a number of issues in</p>				

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	<p>regards to the maintenance of Wastewater Treatment Plant (WWTP) as follows:</p> <ul style="list-style-type: none"> • Erosion on banks at the primary stabilisation pond needs to be fixed; • Secondary stabilisation pond shall be fenced with a +1.8m mesh fence; • Material stored close to Imhoff tank need to be removed; • Inflow effluent meter should be installed to determine effluent volumes to the WWTP; and • Warning signs at the entrance of the WWTP need to be installed. <p>The reviewer was advised by the Shire's EHO that works to implement the recommendations from the DOH's Assessment Report will be done in 2015 and installation of the inflow meter will be considered in the Shire's Budget for 2015/16.</p> <p>The DOH's Assessment Report also advises that the Dumbleyung recycled water scheme approval has been rescinded. The reviewer was advised that the Shire's Effluent Reuse Scheme in Dumbleyung has not been used since 2009 due to advice from the Shire's EHO that the scheme was no longer to be used until the disinfection system was</p>				

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	replaced. Council considered the cost of such replacement at the time to be prohibitive and in the meantime gained access to stormwater stored in the Water Corporation's dam in Dumbleyung. As such the Dumbleyung Effluent Reuse Scheme will not be used again in the future unless the disinfection system is replaced. Should Council aims to reuse treated effluent from Dumbleyung Wastewater Treatment Plant in future, an application in accordance with the requirements of the <i>Guidelines for the Non-Potable Uses of Recycled Water in Western Australia (2011)</i> needs to be submitted to the Executive Director Public Health (EDPH) for approval.				
13/2014 C3	<p>Asset Management Information System</p> <p><i>Adequate system documentation for users and IT operators.</i></p> <p>The asset management information system is a simple system based on the Excel spreadsheets available from the Authority. The system is documented in the Asset Management Plan (latest available version March 2011) which refers to each spreadsheet included in the Appendices.</p> <p>As noted in the Asset Management Practices section of the AMP, the EHO is a custodian of the AMP as well as all accompanying spreadsheets. Apart from the drawing information system, the</p>	<p>a) The Shire should ensure that all Asset Management System documentation, including all future updates of the AMP and the accompanying Excel spreadsheets, is saved on the Shire's server and regularly backed up as part of the standard IT maintenance procedures. The backups should be tested each quarter.</p> <p>The Shire should update the Asset Management Practices section of the AMP to stipulate the responsibilities for management, storage and back-up that would ensure that all Asset Management System records are provided to and retained by the Shire.</p>	Update AMP	CEO	30/6/2016

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	<p>EHO is responsible for the entire Asset Management System documentation update, management, storage and back-up.</p> <p>In order to ensure that the data is being passed on to the Shire for record keeping and backup, the Shire should improve their Asset Management System documentation record-keeping practices and policy.</p>				
14/2014 B3	<p>Risk management</p> <p><i>The probability and consequences of asset failure are regularly assessed.</i></p> <p>The Risk Assessment worksheet has been sighted. It includes the probability and consequences of asset failure for all scheme components and non-compliance with licence obligations.</p> <p>However, the latest version of the Risk Assessment worksheet that was available for review seems to be dated March 2011, corresponding with the AMP update in March 2011. No further updates of the worksheet were available beyond this date. Therefore, the reviewer concluded that the documentation available for review provided no evidence to substantiate that the probability and consequences of asset failure are being regularly assessed.</p> <p>Moreover, the Risk Assessment worksheet still refers to the operating licence issued in 2009 and do not reflect the most recent changes to the legislation including Water Services Act 2012, Water Services</p>	<p>a) The Shire should review and, where required, update the Risk Assessment worksheet to ensure that all current internal and external risks associated with the asset management system have been captured and considered, including the recent changes to the legislative requirements (Water Services Act 2012, Water Services Regulation 2013 and Water Services Code of Conduct (Customer Service Standards) 2013) as well as the new version of the operating licence issued on 18 November 2013.</p> <p>b) The Shire should ensure that treatment plans are actioned and monitored.</p> <p>(c) The Shire should ensure that the probability and consequences of asset failure are assessed regularly i.e. annually as part</p>	Update risk management	CEO	30/6/2016

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	Regulation 2013 and Water Services Code of Conduct (Customer Service Standards) 2013 as well as changes to the operating licence (new version of the operating licence was issued on 18 November 2013).	of the annual review process of the AMP.			
15/2014 D4	<p>Contingency Planning</p> <p><i>Contingency plans are documented, understood and tested to confirm their operability and to cover higher risks.</i></p> <p>Key staff have an understanding of unwritten procedures, such as the calling of a plumber in the case of a pipe blockage, or an electrician in the case of a pump failure.</p> <p>The AMP states that unforeseen maintenance tasking is instigated by a telephone call-out system to the Manager or Supervisor, who attends the site, assesses the requirements and arranges the immediate and follow-up actions and activities. However, the AMP does not specify who was available to do the actual work; that is an electrician, plumber or other technical personnel. It is recommended that for an unexpected failure of the system, more detailed contingency plans documenting the steps to be taken to resolve the failure, and the personnel responsible for the actions, be prepared.</p> <p>The Asset Management Plan had an action item to develop a contingency plan for sewerage overflows by</p>	<p>a) Based on the revised risk assessment in the AMP, a set of contingency plans or emergency procedures should be developed by the Shire to cover situations identified in the risk assessment as being a major or significant risk. For example bushfire affecting ponds or reticulation equipment; reticulation pump or electrical failure; extreme rainfall events/water overflows from the ponds; pipeline burst or blockages etc.</p> <p>b) The contingency plans should include:</p> <ul style="list-style-type: none"> - Detailed procedures - Key local contact details – name, number and location - Communication protocols - Specifications, location and availability of emergency equipment - Authorities that need to be contacted and when. <p>c) Once developed, the contingency plans should be reviewed and tested on at least an annual basis or whenever</p>	Write down contingency plan	CEO	30/6/2016

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	October 2011. This is still outstanding.	major changes are required to the plans to ensure they are operable and that appropriate persons are aware of their responsibilities in cases of emergency.			
16/2014 B2	<p>Financial Planning - Update</p> <p><i>The financial plan provides projections of operating statements (profit and loss) and statement of financial position (balance sheets).</i></p> <p><i>The financial plan provides for the operations and maintenance, administration and capital expenditure requirements of the services.</i></p> <p>The Financial Planning Excel spreadsheet includes the lifecycle costs of owning the assets, including projection of income until 2020 and projections on operations and maintenance, administration and capital expenditure requirements of the scheme until 2060 based on the adopted 50 years life of the scheme.</p> <p>However, as the Financial Planning spreadsheet does not seem to have been updated since 2011, the costs of maintaining and operating the scheme and replacement cost of the assets may have changed. Also, the condition of assets has not been re-assessed since 2010 and this may result in changes to the projected expenditure, annuity provision and the balance of the sewerage reserve.</p>	<p>a) The Shire should review and update the Asset Management Plan – Financial Summary section as well as accompanying Financial Planning spreadsheet including projections of income, operations and maintenance, administration and capital expenditure requirements of the scheme as well as Dumbleyung Sewerage Scheme Reserve based on an assessment of the condition of assets, revised replacement values of assets and updates to the planned operating and maintenance programs and costs.</p> <p>b) Further consideration should be given to recovering the full cost of the sewerage scheme from rates if operations and maintenance levels are to be maintained.</p> <p>c) The adequacy of the sewerage reserve should be reviewed annually by comparison with the projected costs in the Financial Planning spreadsheet.</p>	Update AMP	CEO	30/6/2016

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	<p>The AMP (March 2011) notes that the Shire does not have enough rates income for the sewerage scheme to cover the operational, maintenance and capital costs of replacement over the life of the scheme. The Plant notes that the Shire needs an annuity of \$103,328 for capital replacement and the average operations and the average maintenance cost over the next 5 years is projected to be \$30,542 (as per the Financial Planning Excel spreadsheet).</p> <p>The Shire have addressed the issue of inadequate sewerage rates by increasing the sewerage rate by 17% in 2012/13, by 14% in 2013/14 and by 12.6% in 2014/15 (as per the Shire's Budget for 2014/15). The current revenues from sewerage rates were \$67,730 in 2013/14 and are projected to \$77,163 (2014/15 rates) which is still insufficient to cover the operational, maintenance and capital costs of replacement over the life of the scheme.</p> <p>The surplus on operations is to be transferred to the sewerage reserve. However, the reviewer noted that only \$2,155 was transferred to the sewerage reserve in 2014/13 and \$7,498 is budgeted to be transferred to the sewerage reserve in 2014/15. The Dumbleyung Sewerage Scheme Reserve is budgeted to have a balance of \$124,278 at the end of 2014/15 financial year, which is inadequate to cover the estimated</p>	<p>d) As noted in the Shire's Strategic Community Plan Our 2012-20 Vision, an asset replacement strategy should be developed for the replacement of the sewerage scheme assets at the end of their economic life.</p>			

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	<p>capital expenditure annuity and higher transfers to the reserve will be needed in future years.</p> <p>As noted in the Shire's Strategic Community Plan Our 2012-20 Vision, the Shire plans to develop a separate Dumbleyung Sewerage Scheme Asset Replacement & upgrade replacement strategy that would determine an optimum replacement strategy based around the likely life of the system given the current condition. The planned replacement of assets would not commence until 2019/20 per the lifecycle costing (staged replacement of clay piping over 50 years old with PVC). The Replacement Strategy was planned to be developed in 2012/13, however this was still outstanding at the time of this AMS review.</p>				
17/2014 B3	<p>Capital Expenditure Plan – Update</p> <p><i>There is an adequate process to ensure that the capital expenditure plan is regularly updated and actioned.</i></p> <p>The Asset Management Plan – Plant Improvement and Monitoring section notes that AMP should be revised at least every five years and when any significant changes occur. The capital investment plans shall be revised annually.</p> <p>However, the Financial Planning Excel spreadsheet does not seem to have been updated since 2011. The latest version of the Financial</p>	<p>The Shire should review and update the capital expenditure plan in the Asset Management Plan on an annual basis, as stated in the Plan. For example, the condition of assets may have changed and this may result in changes to the projected expenditure and affect the capital replacement annuity that needs to be set aside in the sewerage reserve.</p>	<p>Update AMP</p>	<p>CEO</p>	<p>30/6/2016</p>

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Reference (no./year)	Asset System Deficiency	Auditor's recommendation	Management action	Person Responsible	Target Date for Completion
	Planning Excel worksheet that was available for review seems to be dated March 2011, corresponding with the AMP update in March 2011. No further updates of the worksheet were available beyond this date.				
18/2014 B3	<p>Review of the Asset Management System</p> <p><i>A review process is in place to ensure that the asset management plan and the asset management system described therein are kept current.</i></p> <p>The AMP was issued in March 2011. The Monitoring and Review Procedures section of the AMP notes that AMP should be revised at least every five years and when any significant changes occur. The maintenance and capital investment plans shall be revised annually, however the Financial Planning Excel spreadsheet does not seem to have been updated since 2011.</p> <p>The back page of the AMP contains a Document /Report Control Form that outlines the revision number, the author, the reviewer, and who approved the AMP for issue and when. The table notes that the AMP was approved for issue on 28/3/11. There were no further revisions carried out. The users of the AMP could benefit from a brief description of changes to the document from the previous version. The Plan has document control (version details).</p>	<p>a) The Shire should review and update the AMP and accompanying Excel spreadsheets to bring it up to date.</p> <p>b) The Shire should ensure that the AMP is revised at least every five years and when any significant changes occur and accompanying Excel spreadsheets reviewed and updated annually.</p> <p>c) The Shire should update the Asset Management Plan - Monitoring and Review Procedures section for the requirement to notify the Authority of any changes to the asset management system within 10 business days.</p> <p>(c) The Shire should modify the "Document Status" table to include a brief description of changes to the document from the previous version</p>	Update AMP	CEO	30/6/2016

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Reference (no./year)	Asset System Deficiency	Auditor's recommendation	Management action	Person Responsible	Target Date for Completion
	Also, the Monitoring and Review Procedures section of the AMP has not been updated for the requirement to notify the Authority of any changes to the asset management system within the required timeframe.				