

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

Post-Audit Implementation Plan

Reference (no./year)	Details of Non Compliance or improvement required	Auditor's recommendation	Management action	Position Responsible (i.e. CEO, EHO etc)	Target Date for Completion
A1/2015	NP2 Water Services Operating License 2009, Clause 20.1, Schedule 4, Clause 1.3 The Licensee exceeded the Performance Standard for sewer blockages	No further recommendation as this obligation is no longer in effect.	No Further Action as no longer Required		
A2/2015	NP 2 Water Services Operating License 2009, Schedule 3 Clause 2.5 The licensee was unable to confirm whether customers have been provided with a copy of the Customer Service Charter, or a summary document, within a three year period up to November 2013.	No further recommendation as this obligation is no longer in effect.	No Further Action as no longer Required		
A3/2015	NP2 <i>Water Services Licensing Act 1995, Clause 8</i> <i>Licensee has not provided one of the other two consultation mechanisms identified in clause 4.1(b).</i>	No further recommendation as this obligation is no longer in effect.	No Further Action as no longer Required		
A4/2015	NP 2	No further recommendation as this obligation is no longer in effect.	No Further Action as no longer Required		

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	<p>Water Services Operating License 2009, Schedule 3 Clause 4.1</p> <p>The licensee has not fully met the requirements of Schedule 3, Clause 4.1</p>		No Further Action as no longer Required		
A5/2015	<p><i>B2</i></p> <p><i>Water Services Licensing Act 1995, Clause 5.1</i></p> <p><i>Licensee has not complied with all applicable legislation.</i></p>	<p>We recommend that the licensee prepare a compliance register and reporting procedure based on the Authority's Compliance Reporting Manual to assist in keeping track of its statutory and regulatory obligations. The observations detailed in Table 5-1 in this audit report may be used as the basis for this. Relevant correspondence should be retained and logged in a suitable named and located folder on the licensee's server.</p> <p>Note: reporting procedure to detail how the data is collected, validated, reviewed/analysed and reported to the ERA.</p>	<p>The PEHO will prepare a compliance register and reporting procedure based on the Authorities Reporting Manual.</p> <p>This system is to ensure relevant correspondence is retained and logged in a suitable named folder on the Shire's server.</p> <p>The procedure will detail how the data is collected, validated, reviewed/analysed and reported to the ERA.</p>	PEHO	04/01/2016
A6/2015	<p><i>B2</i></p> <p><i>Water Services Act 2012, Clause 5.3</i></p> <p><i>Licensee has not complied with all of the obligations of the Water Services Code of Conduct (Customer Service Standards) 2013</i></p>	<p>We recommend that the licensee address the recommendations A6/2015 to A16/2015</p>	<p>See actions below A6/2015 to A16/2015</p>		04/01/2016

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A7/2015	B2 Water Services Act 2012, Sections 82(4) & (5) <i>The licensee to provide required notification of and requirements as to building work within 7 days of receiving the fee for dealing with the notification.</i>	We recommend that the licensee modify its processes for assessing development work so that it complies with the time requirements of the Water Services Act 2012, Sections 82(4) & (5)	See below The PEHO will review and modify the Shire's processes for assessing development work to comply with the legislation and its requirement to notify of building work with 7 days of receiving the fee for dealing with the notification.	See below PEHO	See below 04/01/2016
A8/2015	B2 Water Services Code of Conduct (Customer Service Standards) 2013, Clause 7 The Customer Service Charter does not go into detail about some of the information specified in the water services code of conduct.	Update the existing Customer Service Charter to reflect the required information about connections as required under section 21(2)(c) or (3)(c) and section 73 of the Act. (obligation 93 of the 2014 compliance manual). Alternatively, the licensee may prepare a new information document covering these topics.	The PEHO will update the existing Cost Service Charter to reflect the required info about connections as required in the Act.	PEHO	04/01/2016
A9/2015	B2 Water Services Code of Conduct (Customer Service Standards) 2013, Clause 18(2) The Licensee does not have a written procedure for review of a bill	Prepare a written procedure for review of a bill consistent with the requirements of the Code, Compliance Manual 2014 obligations 114 to 116.	The PEHO will prepare a written procedure for the review of a bill consistent with the requirements of the Code, Compliance Manual 2014, and Obligations 114 to 116.	PEHO	04/01/2016
A10/2015	B2 Water Services Code of Conduct (Customer Service	As per reference A7/2015.	As for A7/2015		04/01/2016

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	Standards) 2013, Clause 18(3) & (6) License does not have a formal written procedure for the review of a bill on the customer's request.				
A11/2015	B2 Water Services Code of Conduct (Customer Service Standards) 2013, Clause 18(4) License does not have a formal written procedure for the review of a bill on the customer's request.	As per reference A7/2015.	The PEHO will prepare a formal written procedure for the review of a bill on the customer's request.	PEHO	04/01/2016
A12/2015	B2 Water Services Code of Conduct (Customer Service Standards) 2013, Clause 21(1) The Licensee accepts payments by all the prescribed methods except direct debit	In addition to the other bill payment options, the licensee to make provision of direct debit services available as identified in its Financial Hardship Policy and as consistent with the Authority's Financial Hardship Policy Guidelines.	The PEHO will liaise with the Shire's Finance Manager to provide a direct debit service as identified in the Financial Hardship Policy.	PEHO & Finance Manager	04/01/2016
A13/2015	B2 Water Services Code of Conduct (Customer Service Standards) 2013, Clause 35(1)	Prepare and implement a complaints handling procedure consistent with the requirements of AS ISO 10002 and Clause 35 of the Water Service Code of Conduct	The PEHO will prepare and implement a complaints handling procedure consistent with the requirements of AS ISO10002 and Clause 35 of the Water Service Code of Conduct.	PEHO	04/01/2016

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	The complaints procedure is not fully documented				
A14/2015	<p>B2</p> <p>Water Services Code of Conduct (Customer Service Standards) 2013, Clause 35(2)</p> <p>The Licensee's complaints procedure is not fully documented or consistent with AS ISO 10002</p>	Refer to recommendation A11/2015	The PEHO will review the complaints procedure and modify it to ensure it is fully documented and consistent with AS ISO 10002.	PEHO	04/01/2016
A15/2015	<p>B2</p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2013, Clause 35(3)</i></p> <p><i>Licensee's complaints procedure does not fully address the matters specified in relation to lodgement of complaints, responding to complaints, dispute resolution arrangements and resolving complaints.</i></p>	Refer to recommendation A11/2015	The PEHO will review and modify the complaints procedure to fully address the matters specified in the review relating to the lodging of complaints, dispute resolution arrangements and resolving complaints.	PEHO	04/01/2016
A16/2015	<p>B2</p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2013, Clause 35(4)</i></p> <p><i>Licensee's complaints procedure does not fully address the requirements</i></p>	Refer to recommendation A11/2015	As for A7/2015		

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	<i>about informing customers that they do not have to use the licensee's complaints procedure, the procedures under the Act and the costs and benefits of the different complaints resolution approaches.</i>				
A17/2015	B2 Water Services Code of Conduct (Customer Service Standards) 2013, Clause 35(6) Licensee's complaints procedure consistent with Clause 35 is not publically available	Refer to recommendation A11/2015	As for A7/2015	PEHO	04/01/2016
A18/2015	B2 Water Services Code of Conduct (Customer Service Standards) 2013, Clause 37(1) The licensee does not make all of the prescribed information publicly available	Provide the following information publically: <ul style="list-style-type: none"> • Bill payment methods • Exemptions, rebates and discounts available Large print services	The PEHO will make arrangements for – <ul style="list-style-type: none"> • Bill payment methods • Exemptions, rebates and discount • Large Print Services TO BE PUT ON SHIRE WEBSITE AND NOTED ON BILLS.	PEHO	04/01/2016
A19/2015	A2 Water Services Act 2012, Section 29 The licensee has not complied with all the duties imposed on it by the Act as it was unable	Refer to recommendation A6/2015	See actions above A6/2015 to A16/2015		

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	to meet all Code requirements.				

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Post-Review Implementation Plan

Reference (no./year)	Asset System Deficiency	Auditor's recommendation	Management action	Position Responsible (i.e. CEO, EHO etc)	Target Date for Completion
R1/2015	A1 Asset planning - Planning process and objectives reflect the needs of all stakeholders and is integrated with business planning	We recommend that the Asset Management Plan be updated to describe how customer consultation is carried out.	The PEHO will update the A.M.P to describe how customer consultation is carried out.	PEHO	04/01/2016
R2/2015	B2 Asset creation/acquisition - Full project evaluations are undertaken for new assets	We recommend that the Licensee develop criteria for capital expenditures and a method for forecasting capital expenditures.	The PEHO will develop criteria for capital expenditures and a method for forecasting capital expenditures.	PEHO	04/01/2016
R3/2015	A2 Asset disposal - Under-utilised and under-performing assets are identified as part of a regular systematic review process	We recommend that the Licensee monitor and record operational data such as pump station operating times and fuel consumption.	The PEHO will develop and document a process for monitoring and recording data such as pump station operating times and fuel consumption.	PEHO	04/01/2016
R4/2015	B2 Environmental analysis - Achievement of customer service levels	We recommend that the Shire prepare a compliance register based on the Authority's Compliance Report Manual to assist in keeping track of its statutory and regulatory obligations. The observations table in this audit report may be used as the basis for this.	The PEHO will prepare a compliance register based on the Authorities Compliance Report Manual to assist in keeping track of our statutory and regulatory obligations.	PEHO	04/01/2016
R5/2015	A2 Asset operations - Operational policies and procedures are documented and linked to service levels required	We recommend that the Licensee develop O&M procedures for their process equipment.	The PEHO will develop operational and Management procedures for the process equipment.	PEHO	04/01/2016

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R6/2015	A1 Asset operations - Assets are documented in an Asset Register including asset type, location, material, plans of components, an assessment of assets' physical/structural condition and accounting data	We recommend that the Licensee ensure that they have digital copies of all their as-constructed drawings.	The PEHO will arrange to have digital scans made of all the as-constructed drawings.	PEHO & Works Manager	04/01/2016
R7/2015	A1 Asset operations - Staff resources are adequate and staff receive training commensurate with their responsibilities	We recommend that the Licensee document the skills/qualifications of the staff members as a result of training they have received.	The PEHO will ensure that the skills/qualifications of the staff members who operate the system are documented.	PEHO & Works Manager	04/01/2016
R8/2015	A1 Asset operations - Operational costs are measured and monitored	We recommend that the licensee implements a fit for purpose works register to identify planned operations and maintenance activities and tracks their completion.	The PEHO will set up and implement a fit for purpose works register to ID planned operations and maintenance activities and track their completion.	PEHO & Works Manager	04/01/2016
R9/2015	A2 Asset maintenance - Maintenance policies and procedures are documented and linked to service levels required	We recommend that the Licensee document how maintenance activities relate to desired levels of services.	The PEHO will consult with the Works Manager and document how maintenance activities relate to desired levels of services.	PEHO & Works Manager	04/01/2016
R10/2015	B2 Asset maintenance - Regular inspections are undertaken of asset performance and condition	We recommend that the licensee undertakes a performance and condition of its assets (sample only for sewers or exclude)	The PEHO and Works Manager will undertake a performance and condition of its assets review.	PEHO & Works Manager	04/01/2016

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R11/2015	B2 Asset maintenance - Maintenance plans (emergency, corrective and preventative) are documented and completed on schedule	We recommend that the licensee begin to document their maintenance activities. A maintenance activity checklists could be created and posted at the relevant areas so that it could be signed off and dated each time the activities are carried out. Although the Shire may perform the maintenance, currently it is hard to demonstrate this.	The PEHO will make up maintenance activity checklists which will be posted at each relevant site. These must be dated and signed for each action and passed on to the PEHO.	PEHO & Works Manager	04/01/2016
R12/2015	A2 Contingency planning - Contingency plans are documented, understood and tested to confirm their operability and to cover higher risks	We recommend that the licensee conducts field exercises to test its contingency plans in addition to desktop exercises.	The PEHO will document contingency plans and conduct field exercises to test them in addition to desk top exercises.	PEHO & Works Manager	04/01/2016
R13/2015	A2 Financial planning - The financial plan identifies the source of funds for capital expenditure and recurrent costs	We recommend that the licensee reconcile and confirm the annuity figure	The PEHO will confer with CEO to ensure the annuity figure is reconciled and confirmed.	PEHO & CEO	04/01/2016
R14/2015	A2 Financial planning - The financial plan provides for the operations and maintenance, administration and capital expenditure requirements of the services	We recommend that the licensee confirm the value of the annuity as \$80k or \$20k	The CEO will confirm the value of the annuity as either \$80,000 or \$20,000.	CEO	04/01/2016