

Shire of Lake Grace – 2017 Operational Audit and Asset Management System Review

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
	<p>document entitled: "<i>Shire of Lake Grace – Policy Manual – March 2017</i>" ("Policy Manual") which records an insignificant number of the Shire's compliance obligations in terms of the Water Legislation;</p> <ul style="list-style-type: none"> ○ Paxon examined the Shire's Asset Management Plan which records an insignificant number of the Shire's compliance obligations in terms of the Water Legislation; ○ Paxon examined the Shire's Customer Service Charter, as available on the Shire's website, which records an insignificant number of the Shire's compliance obligations in terms of the Water Legislation. Paxon notes the Customer Service Charter in section 2.9 still informs dissatisfied customers to forward complaints to the Department of Water. Paxon notes this document was last revised in May 2009 and refers to the "<i>Water Services Licensing Act 1995</i>"; and ○ Paxon examined the Shire's procedure 				

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	documents and found a document entitled: "Wastewater Asset Management – Compliance Obligation Procedure List". This document specifically addresses several of the Shire's compliance obligations in terms of the Water Services Act 2012. However, it does not include any references to the other legislative instruments referred to above as being part of the Water Legislation.				
16 (2/2017)	<ul style="list-style-type: none"> • Ratings: D 2; • Legislation: Act – section 77(3) and WSL – clause 3.1.1; and • Details: <ul style="list-style-type: none"> ○ Paxon confirmed by interview of the Shire's CEO that, during the Audit Period, the Shire did take reasonable steps to minimise the extent or duration of any interruption of water services it was responsible for; ○ Paxon examined the Shire's "Works Register" which was implemented in March 2016 and found it contained no references as to the 	<ul style="list-style-type: none"> • The Shire should implement a register in which it records appropriate details of service interruptions to proof its compliance with section 77(3) of the Act. 	<ul style="list-style-type: none"> • Revise and update the "Works Register" document to include columns detailing duration of water services halted for each entry of work performed, allowing Licensee to log its performance in regards to minimizing service interruptions, to comply with Section 77(3) of the Act. 	TO	July 2018

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	<p>extent or duration of any interruption of water services the Shire was responsible for during the Audit Period; and</p> <p>Paxon found the Shire has no systems and controls in place to manage compliance with section 77(3) of the Act. A recommendation (2/2017) was made in this regard (see compliance obligation number 5 above).</p>				
32 (3/2017)	<ul style="list-style-type: none"> • Ratings: D NR; • Legislation: Act – section 129(5) and WSL – clause 3.1.1; and • Details: <ul style="list-style-type: none"> ○ Paxon confirmed by interview of the Shire's Technical Officer that, during the Audit Period, no entry was made to a place for exercising a works power under the Act. Thus, it was not necessary for the Shire to give 48 hours' notice of proposed entry to the occupier of a place; ○ Paxon examined the Shire's "<i>Works Register</i>" which was implemented in March 2016 and found it contained no references to entry into 	<ul style="list-style-type: none"> • The Shire should update its "Wastewater Asset Management – Compliance Obligation Procedure List" to record its compliance obligation accurately and completely in terms of section 129(5) of the Act. 	<ul style="list-style-type: none"> • Include additional references to section 129(5) of the Act in the "<i>Compliance Obligation Procedure List</i>", which deals with power of entry granted under routine maintenance/inspections and meter reading (the current item in the obligation list only references entry under general works). 	TO	October 2018

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	<p>private property; and</p> <ul style="list-style-type: none"> ○ Paxon examined the Shire's Customer Service Charter which states in section 3.1 entitled: "Entry to your Property": "For planned work within a property, the Shire shall advise the occupier in advance." <p>Paxon regards this reference as being too vague.</p>				
35 (4/2017)	<ul style="list-style-type: none"> • Ratings: C NR; • Legislation: Act – section 129(5) and WSL – clause 3.1.1; and • Details: <ul style="list-style-type: none"> ○ Paxon examined the document entitled: "Wastewater Asset Management – Compliance Obligation Procedure List" which specifically records the Shire's obligations in terms of sections 142, 143(2), 143(3) and 144(3) of the Act. However, Paxon has found the references to these section of the Act, as contained in the above-mentioned procedure document to be incomplete. Paxon could find no references 	<ul style="list-style-type: none"> • The Shire should update its "Wastewater Asset Management – Compliance Obligation Procedure List" to record its compliance obligations in respect of major works accurately and completely, as stipulated in the Act. 	<ul style="list-style-type: none"> • Amend the document "Compliance Obligation Procedure List" under the heading "Prerequisites to provision of major works" to include actions required after the amendment of plans or details (section 145(2) & 145(3)), and powers the Minister possesses regarding major works proposals (section 147(3) & 147(4)). 	TO	October 2018

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	to sections 145(2), 147(3) and 147(4) of the Act in the above-mentioned procedure document.				
46 (5/2017)	<ul style="list-style-type: none"> • Ratings: C NR; • Legislation: Act – section 166(5) and WSL – clause 3.1.1; and • Details: <ul style="list-style-type: none"> ○ Paxon confirmed by interview of the Shire's CEO that, during the Audit Period, the Minister did not advise it to acquire an interest in land; and ○ Paxon examined the document entitled: "<i>Wastewater Asset Management – Compliance Obligation Procedure List</i>" which specifically records the Shire's obligations in terms of sections 166(5) and 166(6) of the Act. However, Paxon has found the above-mentioned procedure refers incorrectly to the recoupment of costs by the Shire from the State (and not the recoupment of cost incurred by the State from the Shire). 	<ul style="list-style-type: none"> • The Shire should update its "<i>Wastewater Asset Management – Compliance Obligation Procedure List</i>" to record its compliance obligations accurately and completely in terms of section 166(6) of the Act. 	<ul style="list-style-type: none"> • Under the "<i>Compliance Obligation Procedure List</i>" document, rewrite the section under the heading "Taking of interest in land for the purposes of the licensee's duties" to be more accurate. 	TO	October 2018
49 (6/2017)	<ul style="list-style-type: none"> • Ratings: D NR; • Legislation: Act – section 173(4) and WSL – clause 	<ul style="list-style-type: none"> • The Shire should update its "<i>Wastewater Asset Management – Compliance</i> 	<ul style="list-style-type: none"> • In document "<i>Compliance Obligation Procedure List</i>", include reference to 	TO	October 2018

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	<p>3.1.1; and</p> <ul style="list-style-type: none"> • Details: <ul style="list-style-type: none"> ○ Paxon confirmed by interview of the Shire's Technical Officer that, during the Audit Period, no entry was made to a place for exercising a works power under the Act. Thus, it was not necessary for the Shire to give 48 hours' notice of proposed entry to the occupier of a place; and ○ Paxon examined the document entitled: "<i>Wastewater Asset Management – Compliance Obligation Procedure List</i>" which specifically records the Shire's obligations in terms of sections 173(4), 174(1), 174(3), 175(2), 175(5), 176(1), 176(3), 176(4) and 181 of the Act. However, Paxon has found the above-mentioned procedure refers only to informing the occupants and not the owner in the circumstances stipulated in section 173(4) of the Act. 	<p><i>Obligation Procedure List</i>" to record its compliance obligation accurately and completely in terms of section 173(4) of the Act.</p>	<p>section 173(4) which details the notification of the owner—not the occupant—if it is expected works performed on a premises will adversely affect the premises. Current descriptions only make reference to notifying occupants if works are expected to cause disruption to their home schedule.</p>		
100 and 102 (7/2017)	<ul style="list-style-type: none"> • Ratings: D 2; • Legislation: Code of Conduct – clauses 12(1) 	<ul style="list-style-type: none"> • The Shire should amend its "<i>Rate Notice/Tax Invoice(s)</i>" to comply with the 	<ul style="list-style-type: none"> • Add information to the rates notices that customers with hearing or 	TO, AC (Administration Coordinator), FC (Finance Coordinator)	December 2018

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	<p>and 12(3) and WSL – clause 3.1.1; and</p> <ul style="list-style-type: none"> • Details: <ul style="list-style-type: none"> ○ Paxon examined a sample of “Rate Notice/Tax Invoice(s)” issued after this date and found these notices, with two exceptions, complied with the stipulations of regulation 12(1). The notices did not state: <ul style="list-style-type: none"> • Contact details for account, payment and general enquiries for use by customers with hearing or speech impairment (regulation 12(1)(o)); and • The website contains information about complaints and review (regulation 12(1)(p)). 	<p>stipulations of clauses 12(1)(o) and (p) of the Code of Conduct.</p>	<p>speech impairment may call the National Relay Service to help in their inquiries and requests. Provide the contact details of the National Relay Service.</p> <ul style="list-style-type: none"> • Add information to the rates notices that a customer can find additional information on the Shire's website about all relevant details set out under the “Water Services Code of Conduct (Customer Service Standards) 2013” clause 12(3). 	TO, AC, FC	December 2018
107 (8/2017)	<ul style="list-style-type: none"> • Ratings: D NR; • Legislation: Code of Conduct – clause 16(2) and WSL – clause 3.1.1; and • Details: <ul style="list-style-type: none"> ○ Paxon confirmed by interview of the Shire's CEO that, during the Audit Period, the Shire did not undercharge customers; and ○ Paxon examined the 	<ul style="list-style-type: none"> • The Shire should update its Customer Service Charter to refer appropriately to the recovery period limitation stipulated in clause 16(2) of the Code of Conduct. 	<ul style="list-style-type: none"> • Revise the Customer Service Charter to include the limitations of collecting an undercharged account, namely that the Shire may only attempt to collect missing moneys from customers for water services provided (sewerage rates) in the last 12 months starting from the date the Shire 	TO	October 2018

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	<p>Shire's Customer Service Charter which in section 2.6 entitled: "<i>Charges and Accounts</i>" states:</p> <p><i>"If an error is made in the charges which results in the customer paying less than the correct amount, the customer may be required to pay the correct amount upon request."</i></p> <p>Thus, no reference is made to limiting the recovery of undercharged amounts to water services provided in the 12-month period ending on the day on which the licensee informed the customer of the undercharging.</p>		informed the customer of such an undercharging.		
112 (9/2017)	<ul style="list-style-type: none"> • Ratings: D NR; • Legislation: Code of Conduct – clause 17(2) and WSL – clause 3.1.1; and • Details: <ul style="list-style-type: none"> ○ Paxon could not find any reference to the 15 business days response period limitation in the Shire's Customer Service Charter. 	<ul style="list-style-type: none"> • The Shire should update its Customer Service Charter to refer appropriately to the 15 business days response period limitation stipulated in clause 17(2) of the Code of Conduct. 	<ul style="list-style-type: none"> • In the Customer Service Charter under the section describing the customer's options after their account has been found to be overcharged, append that their instructions will be processed within 15 business days, starting on the day the Shire receives the instruction. 	TO	October 2018
113 (10/2017)	<ul style="list-style-type: none"> • Ratings: B NR; • Legislation: Code of Conduct – clause 18(1) and WSL – clause 3.1.1; and • Details: 	<ul style="list-style-type: none"> • The Shire should update its Customer Service Charter to refer appropriately to the review of bills as stipulated in clause 18(1) of the Code of 	<ul style="list-style-type: none"> • Update the Customer Service Charter to make reference that the Shire is bound to the Code of Conduct, that the Shire 	TO	October 2018

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113 (10/2017) (continued)	<ul style="list-style-type: none"> ○ Paxon examined the Shire's Customer Service Charter and could find no reference to the review of bills in either section 2.6 entitled: "<i>Charges and Accounts</i>" nor section 2.9 entitled: "<i>Enquiries, Suggestions, Complaints and Disputes</i>" which addresses complaints in general terms only; ○ The Shire's Customer Service Charter does state in section 2.6: "<i>Charges for services to customers shall comply with the relevant provisions and regulations of the Health Act 1911 and the Local Government Act 1995.</i>" Thus, there is no reference to compliance with the Code of Conduct which contains several stipulations in respect of bills; ○ Paxon examined the Shire's website and found a page entitled: "<i>Change of Ownership and Address</i>". This page includes a section entitled: "<i>Rate reviews and dispute resolution</i>" which states: "<i>If you believe there to be an error present in the</i> 	Conduct.	will review a bill (only the sewerage portion of a rates notice) upon a customer's request, and replace the referral details from the Department of Water to the Energy and Water Services Ombudsman and the State Administrative Tribunal.		

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	<p>wastewater services portion of your rates notice, you may request the Shire to review your notice.”;</p> <p>This section on the website also refers to contacting the Energy and Water Ombudsman and the State Administrative Tribunal whilst section 2.9 of the Shire's Customer Service Charter refers to contacting the Department of Water and an arbitrator in respect of complaints in general (it is assumed these complaints will include the review of bills). Thus, there are conflicting statements regarding the review of bills in two documents available on the Shire's website.</p>				
119 (11/2017)	<ul style="list-style-type: none"> • Ratings: B 2; • Legislation: Code of Conduct – clause 21(1) and WSL – clause 3.1.1; and • Details: <ul style="list-style-type: none"> ○ Paxon examined a sample of “Rate Notice/Tax Invoice(s)” 	<ul style="list-style-type: none"> • The Shire should allow customers to pay their bills using the Centrepay option as stipulated in clause 21(1)(b) of the Code of Conduct. 	<ul style="list-style-type: none"> • The Shire already provides a Centrepay option under the Direct Debits payment option, but will add explicit reference to Centrepay on the Rates Notices to inform customers in the future. 	TO, FC	November 2018

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	issued during the Audit Period and found the front of these notices refer to all the prescribed payment methods except the Centrepay option.				
122 (12/2017)	<ul style="list-style-type: none"> • Ratings: D 1; • Legislation: Code of Conduct – clause 23(1) and WSL – clause 3.1.1; and • Details: <ul style="list-style-type: none"> ○ Paxon confirmed by interview of the Shire's CEO that, during the Audit Period, the Shire accepted payment in advance from a customer on a customer's request; and ○ Paxon could not find any reference to the Shire accepting payments in advance in either the Shire Customer Service Charter nor on the Shire's website – on the webpage entitled: "<i>Payment of Rate & Invoices</i>". 	<ul style="list-style-type: none"> • The Shire should update its Customer Service Charter and the appropriate webpage on its website to refer appropriately to accepting payment in advance as stipulated in clause 23(1) of the Code of Conduct. 	<ul style="list-style-type: none"> • Amend the Customer Service Charter and the "<i>Payment of Rates & Invoices</i>" webpage to inform customers that the Shire has the capability to receive payment for Rates Notices (of which sewerage rates are a part of) in advance. 	TO	October 2018
146 (13/2017)	<ul style="list-style-type: none"> • Ratings: D 2; • Legislation: Code of Conduct – clause 35(2) and WSL – clause 3.1.1; and • Details: <ul style="list-style-type: none"> ○ Paxon confirmed by 	<ul style="list-style-type: none"> • The Shire should review its customer complaints procedure using as minimum standards the relevant provisions of AS ISO 10002-2006 and the ERA's 	<ul style="list-style-type: none"> • The Shire to acquire AS ISO 10002-2006 (digital or physical copy). Draft a new customer complaints procedure and distribute it in written form amongst 	AC, TO	February 2019

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	interview of the Shire's Technical Officer that the Shire did not develop its complaints procedure using as minimum standards the relevant provisions of AS ISO 10002-2006 and the ERA's guidelines (if any).	guidelines.	customer-facing staff.		
150 and 153 (14/2017)	<ul style="list-style-type: none"> • Ratings: D 2 and B 2 respectively; • Legislation: Code of Conduct – clauses 36(1) and 37(1) and WSL – clause 3.1.1; and • Details: <ul style="list-style-type: none"> ○ Paxon examined the document entitled: "<i>Compliments and Feedback form</i>". Paxon could not find any reference to providing customers with a large-print version of any of the licensee's publicly available documents. 	<ul style="list-style-type: none"> • The Shire should update its public documents to include an appropriate reference to the stipulations of clause 36(1)(c) of the Code of Conduct. 	<ul style="list-style-type: none"> • Update all public documents that make reference to assistance for customers with disabilities that the Shire can provide a large-print version of any water services-related document free of charge. • Create large-print variations of public documents. 	TO, FC TO/IAO	December 2018
166 (15/2017)	<ul style="list-style-type: none"> • Ratings: A 2; • Legislation: Act – section 12 and WSL – clause 3.8.2; and • Details: <ul style="list-style-type: none"> ○ Paxon was not provided with any documentation to proof the timely submission of the Shire's Compliance Report for 2014-2015 to the ERA. 	<ul style="list-style-type: none"> • The Shire should keep proper records to proof its compliance with the reporting deadlines for the submission of compliance reports to the ERA. 	<ul style="list-style-type: none"> • Maintain current recordkeeping process. 	TO	Ongoing

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167 (16/2017)	<ul style="list-style-type: none"> • Ratings: A 2; • Legislation: Act – section 12 and WSL – clause 3.8.3; and • Details: <ul style="list-style-type: none"> ○ Paxon was not provided with any documentation to proof the timely submission of the Shire's Performance Report for the 2014-2015 reporting period to the ERA. 	<ul style="list-style-type: none"> • The Shire should keep proper records to proof its compliance with the reporting deadlines for the submission of performance reports to the ERA. 	<ul style="list-style-type: none"> • Maintain current recordkeeping process. 	TO	Ongoing

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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
1/2017	<ul style="list-style-type: none"> Rating: B 3; Component: Asset Planning; and Details: <ul style="list-style-type: none"> See the section for Asset Planning as included in Table 15 entitled: "Review Observations and Recommendations" in section 5.3 of this Report. 	<ul style="list-style-type: none"> That the AMP be reviewed and updated as recommended elsewhere in this report including the following obvious items: <ul style="list-style-type: none"> The AMP is dated December 2017. However, the document cover is titled September 2016; and Appendix A (Contingency Plan) and Appendix B (Personnel Contact Information) contain the names of Shire contacts no longer employed by the Shire - and should be replaced by the current Shire staff. 	<ul style="list-style-type: none"> Perform a whole-of-document review, updating areas as specified by the Post-Audit and Post-Review recommendations, and removing outdated information. Update and sign the Document Control table at the end of the Asset Management Plan. 	<p>TO</p> <p>TO, CEO</p>	<p>August 2018</p> <p>August 2018</p>
2/2017	<ul style="list-style-type: none"> Rating: C 3; Component: Asset Operations; and Details: <ul style="list-style-type: none"> See the section for Asset Operations as included in Table 15 entitled: "Review Observations and Recommendations" in section 5.3 of this Report. 	<ul style="list-style-type: none"> It is recommended that: <ul style="list-style-type: none"> Collection System - the Shire should include the condition of access chambers in its Asset Register. The Shire should also arrange for a CCTV inspection of the condition of all sewers and note the results in a separate column of the Asset Register. The Shire should flush the sewer collection system with clean water on an annual basis; Signage – a sign for the main pumping station should be mounted on the 	<ul style="list-style-type: none"> Collect quotes for carrying out CCTV inspections of Lake Grace's sewerage pipe network and to flush the sewerage system. Investigate potential source of funding for these works (solely from rates from that year or pull from reserve) and add costs on to the 2018/19 Annual Budget. Move signage on the main pump station's control box to the 	<p>TO/IAO (Infrastructure Administration Officer), MIS (Manager Infrastructure Services)</p> <p>TO/IAO</p>	<p>August 2018</p> <p>July 2018</p>
2/2017 (continued)					

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		<p>enclosure fencing;</p> <ul style="list-style-type: none"> ○ Pumping stations - locks should be fitted to the main pumping station access covers as recommended following the September 2016 Inspection. The hours run value of pumps at each of the four pumping stations should be recorded weekly and the value, date and time recorded in the existing spread sheet, which currently contains data for the main pumping station only. The water outlets next to all pumping stations should be fitted with a backflow prevention device; ○ Treatment plant – weeds on embankment walls should be poisoned regularly. Shrubs and trees on the embankment should be removed and the surfaces restored. Bulrushes in pond No.2 should be poisoned or removed; ○ Treatment plant – the Shire should seek the agreement of owner of the property on the east side of the WWTP to continue the discharge of overflow effluent to the salt affected low point on his property. Assuming agreement will 	<p>enclosure fencing.</p> <ul style="list-style-type: none"> ● Arrange for a new lock to be placed on to the Mason Street pumping station, add the key to the Shire's key register and distribute as needed (i.e. contract plumber will require a copy). Determine a specific time or times when to record pump run hours of the four pumping stations that are part of the Lake Grace sewerage system, and maintain recording schedule. Install vacuum breakers on water taps near each pumping station. ● Investigate most effective method for poisoning weeds and set up schedule with Shire gardeners. Shire workers to dispose of uprooted vegetation sitting on the treatment pond banks. Reform top of embankments. ● Establish contact with landowner and discuss solutions to the overflow discharge into their land. Seek an agreement in writing to continue the discharge, or negotiate alternatives. Seek approval to continue with 	<p>TO/IAO</p> <p>TO/IAO, MIS</p> <p>TO, MIS</p>	<p>August 2018/Ongoing</p> <p>September 2018</p> <p>September 2018</p>

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		<p>be received, the Shire should seek the approval to continue the practise from the Department of Health and the Department of Environmental Regulation;</p> <ul style="list-style-type: none"> ○ Treatment plant – the Shire should pump down the pond water levels sufficiently to determine and implement a suitable wave erosion treatment for the inner face of the ponds. The current overflow pipe from pond No.2 should be re-located to the north east corner of the pond; ○ Treatment plant – the AMP should contain a sequence and description of procedures for the general operation and de-sludging of the Imhoff Tank; ○ Planned maintenance - the Shire should verify that the planned maintenance schedule corresponds with maintenance tasks undertaken by the plumber and agree to and document changes where necessary. The Shire should negotiate a fee for each of the planned maintenance tasks and a cost basis for unplanned maintenance and repairs; 	<p>discharge from the Department of Water and Environmental Regulation, or otherwise follow their feedback on denial.</p> <ul style="list-style-type: none"> • Investigate companies who are able to displace water held in the treatment ponds. Determine where the displaced water will be held while wave erosion treatment solutions are decided. Inquire with local earthmoving contractors if they are able to install a new overflow pipe into treatment pond 2. • Request process for de-sludging the Imhoff Tank from contract plumber and add it to the AMP. • Create a document for the contract plumber that allows them to record monthly maintenance work. Add additional works to current schedule of maintenance (only pump station wash down and Imhoff Tank de-sludging is being done). 	<p>TO/IAO, MIS</p> <p>TO</p> <p>TO/IAO</p>	<p>June 2019</p> <p>August 2018</p> <p>September 2018</p>

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		<p>and</p> <ul style="list-style-type: none"> o The Shire should consider the appointment of an officer with the authority (via the Works Manager) to direct and coordinate all practical aspects of the sewerage operations and maintenance. 	<ul style="list-style-type: none"> • Since the audit and review in December 2017, a new infrastructure support person has been hired to assist TO with his duties. It will take some time to see if this additional workflow capacity will alleviate the lack of attention given to the sewerage system in prior years. 	CEO, MIS, TO, IAO, AC (Administration Coordinator)	April 2019
3/2017	<ul style="list-style-type: none"> • Rating: B 2; • Component: Asset Maintenance; and • Details: <ul style="list-style-type: none"> • See the section for Asset Maintenance as included in Table 15 entitled: "Review Observations and Recommendations" in section 5.3 of this Report. 	<ul style="list-style-type: none"> • The planned maintenance schedules should have provision for confirming that maintenance has occurred and the date. Recommendation 2/2017 above is also applicable to maintenance. 	<ul style="list-style-type: none"> • Start logging job date of completions in the scheduled maintenance schedule. 	TO	July 2018
4/2017	<ul style="list-style-type: none"> • Rating: B 2; • Component: Risk Management; and • Details: <ul style="list-style-type: none"> • See the section for Risk Management as included in Table 15 entitled: "Review Observations and Recommendations" in section 5.3 of this Report. 	<ul style="list-style-type: none"> • That the Risk Assessment be reviewed to verify or correct the conclusions of the analysis. 	<ul style="list-style-type: none"> • Re-assess every item in the "Risk Assessment" spreadsheet of the Asset Management Information System. For the items currently assessed at "Moderate" asset risk, consult with local plumber or other specialist to review its assessment. 	TO, MIS	November 2018
5/2017	<ul style="list-style-type: none"> • Rating: C 3; • Component: Contingency Planning; and • Details: <ul style="list-style-type: none"> • See the section for 	<ul style="list-style-type: none"> • That in view of the above comments, the AMP section on contingency planning be carefully reviewed, corrected and re-written. 	<ul style="list-style-type: none"> • Revise the "Contingency Plan" document. Consult with local plumber to confirm efficacy of proposed plans and 	TO, MIS	August 2018

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Reference (no./year)	Asset System Deficiency	Auditor's recommendation	Management action	Position Responsible (i.e. CEO, EHO etc)	Target Date for Completion
	Contingency Planning as included in Table 15 entitled: "Review Observations and Recommendations" in section 5.3 of this Report.		update the AMP's section on contingency planning to be consistent with the standalone document aforementioned.		
6/2017	<ul style="list-style-type: none"> • Rating: C 3; • Component: Financial Planning; and • Details: <ul style="list-style-type: none"> • See the section for Financial Planning as included in Table 15 entitled: "Review Observations and Recommendations" in section 5.3 of this Report. 	<ul style="list-style-type: none"> • Section 7 of the AMP should be reviewed, clarified and edited so that cost estimates in the whole of life spread sheets and the AMP are in agreement – or any differences explained. The document should be extended annually to provide a rolling five years prediction of the financial viability of the sewerage system. Similarly, the source and relationship between amounts in the various tables of Section 7 of the AMP should be made clearer. 	<ul style="list-style-type: none"> • Modify presentation of the "Financial Planning" spreadsheet of the AMIS for clarity. Validate annuity figures and update for current and next financial years. Ensure consistency between the "Financial Planning" spreadsheet and the financial section of the AMP. 	TO, FC, MIS	December 2018
7/2017	<ul style="list-style-type: none"> • Rating: C 3; • Component: Capital Expenditure Planning; and • Details: <ul style="list-style-type: none"> • See the section for Capital Expenditure Planning as included in Table 15 entitled: "Review Observations and Recommendations" in section 5.3 of this Report. 	<ul style="list-style-type: none"> • That the AMP and Financial model be reviewed, amended as necessary and updated annually to ensure consistency of Capex expenditure forecasting and input to financial budgets; • Ensure that sewerage asset management officers provide input to sewerage system budget preparation and that associated AMP documentation is amended if necessary to agree with budget provisions; and • The document should be extended annually to provide 	<ul style="list-style-type: none"> • Validate the calculations and input data of the Capex part of the "Financial Planning" spreadsheet of the AMIS. • Calculate source and sink of spending required and implement within reason into the Annual Budget. Ensure consistency with the AMP and the AMIS. • Embed a 5-year rolling plan function for capital expenditure in to the AMIS spreadsheet. 	TO, FC TO, FC TO, FC	December 2018 December 2018 December 2018

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Reference (no./year)	Asset System Deficiency	Auditor's recommendation	Management action	Position Responsible (i.e. CEO, EHO etc)	Target Date for Completion
		a rolling five years prediction of capital expenditure requirements.			
8/2017	<ul style="list-style-type: none"> Rating: C 3; Component: Review of Asset Management System; and Details: <ul style="list-style-type: none"> See the section for Review of Asset Management System as included in Table 15 entitled: "Review Observations and Recommendations" in section 5.3 of this Report. 	<ul style="list-style-type: none"> The practises and staffing of managing the assets of the Shire's sewerage system should be reviewed and revised; The AMP should be thoroughly reviewed, corrected and edited in accordance with any changes resulting from the above revision and the recommendations of this Report; and Apart from five yearly revisions of the AMP, a desktop review of the document should be undertaken annually – including updating of the financial and capital expenditure plans. The reviewer's name, review date and details of amendments should be included in the revision sheet. 	<ul style="list-style-type: none"> There are now two support staff members under the infrastructure branch, allowing greater focus on the numerous fields under that branch. This should lead to greater attention given to the sewerage system and associated management. It will take between half a year to a year to assess whether there is now sufficient capacity to effectively manage the sewerage system. Revise and update the entire AMP to be consistent with the changes made per the recommendations in the 2017 Operational Audit and Asset Management Systems Review. Schedule a date in the year to perform annual desktop reviews of the AMP and the AMIS. Ensure the Document Control table is filled out and signed off upon each review. 	<p>TO, IAO, MIS, AC, CEO</p> <p>TO, MIS</p> <p>TO, MIS</p>	<p>April 2019</p> <p>April 2019</p> <p>August 2018</p>