



# Water Corporation Post Audit Implementation Plan

February 2021



The Post Audit Implementation Plan (PAIP) has been created to address recommendations made by the Auditor for the Corporation’s 2020 Operational Audit of its Water Services Licence. If a non-compliance has already been rectified or no action is required, it is not included in the PAIP. Of the 223 obligations audited – six obligations have recommendations.

Finding Reference: 01/2020		Rating: B2
Observations	Recommendations	
<p><b>Legislative Obligation (34):</b></p> <p><i>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.</i></p> <p><b>Observation:</b></p> <p>We reviewed the Break the Road Register and noted breaches were recorded for planned work.</p>	<p>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.</p>	<p><b>Management Comment</b></p> <p>In Financial Year (FY) 2018/19 there was 144 non-compliant notices which reduced to 16 in FY 2019/20.</p> <p>The root cause of non-compliance is human error. To fix this issue the Corporation needs to have system control in Maximo to prevent work from commencing until the notification has been registered on the system and 48 hours has elapsed since the notice was sent.</p> <p>The Corporation will implement the actions as per below:</p>
		<p><b>Agreed Action</b></p> <ol style="list-style-type: none"> <li>1. Request system change to work management project – long-term timeframe.</li> <li>2. Continue to monitor compliance manually on a monthly basis.</li> </ol>
		<p><b>Responsible Officer</b></p> <p>Head of Operations Performance</p>
		<p><b>Date of Implementation</b></p> <p>30 June 2022</p>



Finding Reference: 02/2020		Rating: A2
Observations	Recommendations	
<p><b>Legislative Obligation (104A):</b></p> <p><i>Each bill for usage to which clause 15 applies must, in addition to the requirements of clause 13, contain the prescribed information.</i></p> <p><b>Observation:</b></p> <p>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 starts)”. The bills referred to the “month” (not the day) that the tariff will be reset.</p>	<p>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.</p>	<p><b>Management Comment</b></p> <p>This has already been referred to Legal Services for a proposed change to the Code.</p> <p><b>Agreed Action</b></p> <p>As above.</p> <p><b>Responsible Officer</b></p> <p>Head of Customer Billing &amp; Assurance</p> <p><b>Date of Implementation</b></p> <p>At the time the ERA reviews the Code of Conduct.</p>



Finding Reference: 03/2020		Rating: C3
Observations	Recommendations	
<p><b>Legislative Obligation (111A):</b></p> <p><i>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 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.</i></p> <p><b>Observation:</b></p> <p>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.</p>	<p>We recommend that the Corporation:</p> <ol style="list-style-type: none"> <li>1. Inform customers immediately.</li> <li>2. Continue its investigation into identifying other potentially affected customers and calculating and reimbursing the amount of the overcharge for affected customers.</li> <li>3. Perform a comprehensive review of all other Grange billing rules.</li> </ol>	<b>Management Comment</b>
		The Corporation will implement the actions as per below:
		<b>Agreed Action</b>
		<ol style="list-style-type: none"> <li>1. This action was completed on 18 December 2020</li> <li>2. Credit adjustments have been made to the impacted customers, with five requesting cash refunds. Completed on 18 December 2020.</li> <li>3. A project will be established and program developed to ensure all Grange billing rules are reviewed. This program will commence early in 2021. Target completion is 30 December 2021.</li> </ol>
		<b>Responsible Officer</b>
		Head of Customer Billing & Assurance
		<b>Date of Implementation</b>
30 December 2021		



Finding Reference: 04/2020		Rating: B2
<b>Observations</b>	<b>Recommendations</b>	
<p><b>Legislative Obligation (117):</b></p> <p><i>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.</i></p> <p><b>Observation:</b></p> <p>The audit identified 303 breaches (non-compliance rate 1.41%) of the 15-business day requirement (compliance rate 98.73%).</p>	<p>We recommend that the Corporation:</p> <ol style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>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.</li> </ol>	<b>Management Comment</b>
		The Corporation will implement the actions as per below:
		<b>Agreed Action</b>
		<ol style="list-style-type: none"> <li>1. Provide training to ensure staff are aware of the requirement for interim responses if resolution is not able to be completed in 15 business days</li> <li>2. Review the process of monitoring and reporting of Bill Reviews to ensure timely follow up and escalation.</li> <li>3. Discuss and seek ERA's views on this non-compliance as it is expected to continue as some reviews are complex. A change to the Code may be required to accommodate the longer timeframes needed to resolve the complex cases.</li> </ol>
		<b>Responsible Officer</b>
		Actions 1 and 2 - Head of Customer Billing & Assurance Action 3 – Risk & Assurance
<b>Date of Implementation</b>		
		30 April 2021



Finding Reference: 07/2020		Rating: A2
Observations	Recommendations	
<p><b>Legislative Obligation (185):</b></p> <p><i>A Memorandum of Understanding must comply with the specified requirements in relation to legal standing of the document and compliance audits by the Department of Health.</i></p> <p><b>Observation:</b></p> <p>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 Department of Health did not specify requirement in relation to legal standing of the document.</p>	<p>We recommend that the Corporation ensure Memorandum of Understanding with the Department of Health includes the specified requirement.</p>	<b>Management Comment</b>
		<p>The draft amended MoU has been agreed with the Department of Health (DoH). The Corporation will implement the actions as per below:</p>
		<b>Agreed Action</b>
		<ol style="list-style-type: none"> <li>3. Draft amended MoU to be reviewed by Legal Services Business Unit.</li> <li>4. Final amended MoU to be submitted to DoH for formal approval.</li> <li>5. Once letter of approval is received from DoH, publish MoU on external website within a month.</li> </ol>
		<b>Responsible Officer</b>
		Head of Water Quality
<b>Date of Implementation</b>		
		1 April 2021



Finding Reference: 08/2020		Rating: A2
<b>Observations</b>	<b>Recommendations</b>	
<p><b>Legislative Obligation (187):</b></p> <p><i>The licensee must publish in the form agreed with the Department of Health, a Memorandum of Understanding and any amendments to a Memorandum of Understanding within one month of signing or making the amendment.</i></p> <p><b>Observation:</b></p> <p>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.</p>	<p>We recommend that the Corporation further strengthen its processes relevant to publishing Memorandum of Understandings between the Corporation and the Department of Health.</p>	<p><b>Management Comment</b></p> <p>The Corporation will implement the actions as per below:</p> <p><b>Agreed Action</b></p> <p>The Corporation will prepare a procedure to document the management of the MoU processes including the publishing requirements.</p> <p><b>Responsible Officer</b></p> <p>Head of Water Quality</p> <p><b>Date of Implementation</b></p> <p>1 April 2021</p>