



Notice

15 November 2022

Gascoyne Water Cooperative Ltd

2022 operational audit and asset management system review

The Economic Regulation Authority has published the [2022 operational audit and asset management system review report](#) and the [post-review implementation plan](#) for Gascoyne Water Cooperative Ltd's water services licence WL38.

Gascoyne Water is a co-operative that provides irrigation water services to local growers and non-potable water to community lifestyle blocks in the Carnarvon area.

The ERA's decision

The ERA considers that Gascoyne Water has achieved a good level of compliance with its licence and has an effective asset management system.

The ERA has decided to increase the audit period from 36 to 48 months. The next audit will cover the period 1 May 2022 to 30 April 2026, with the report due to be provided by 31 July 2026.

The ERA has decided to maintain the review period at 36 months. The next review will cover the period 1 May 2022 to 30 April 2025, with the report due to be provided by 31 July 2025.

Audit and review findings

Audit

The audit of the 95 licence obligations applicable to Gascoyne Water found five non-compliances.

As Gascoyne Water has addressed all the non-compliances, the auditor did not make any recommendations and a post-audit implementation plan was not required.

Review

The assessment of the 58 asset management effectiveness criteria prescribed in the ERA's *2019 Audit and Review Guidelines: Water Licences* found three asset management system deficiencies.

The auditor made two recommendations to address the deficiencies. The post-review implementation plan states that Gascoyne Water will address the recommendations by December 2023.

The ERA's assessment of the audit and review findings

Audit

The ERA considers Gascoyne Water achieved a good level of compliance with its licence.

The five non-compliances related to Gascoyne Water not providing the required 48 hours written notice of entry to land. However, Gascoyne Water only accessed the irrigation meters at the edge of the properties, with no entry to any premises, and it always provided verbal notice to the occupants.

The routine inspection and maintenance tasks carried out by Gascoyne Water caused only minor or no disruption to the occupants. There were no complaints from customers concerning Gascoyne Water's entry to their land. The required notice procedures were implemented in August 2020 and there have been no further breaches since then.

There has also been a substantial improvement with Gascoyne Water's Customer Services and Water Services Procedures Manual that documents the procedures to maintain compliance with the licence obligations. The manual was previously in draft and is now finalised. All assessed controls were deemed adequate by the auditor.

Review

Overall, Gascoyne Water's asset management system improved in some areas, but deteriorated slightly in other areas during the review period.

Three asset management system effectiveness criteria had processes that require significant improvement. Gascoyne Water did not have workplace health and safety documents for its staff or contractors who work on Gascoyne Water's assets (two deficiencies), and Gascoyne Water's environmental risks did not have their own category in its risk model (although these risks were included in the risk model, but under a different category).

The auditor noted that these deficiencies had no impact on the services provided to customers, with Gascoyne Water providing a good level of service during the review period. However, it is important for a utility to have the relevant workplace health and safety documents for its staff and contractors who work on its assets.

Further information

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