





21 April 2023

# Shire of Gnowangerup

## 2022 Asset management system review

The Economic Regulation Authority has published the 2022 <u>Asset management system review</u> report and the <u>post-review implementation plan</u> for the Shire of Gnowangerup's water services licence WL11.

The Shire supplies sewerage and non-potable water services to the township of Ongerup, approximately 400 kilometres southeast of Perth.

#### The ERA's decision

The ERA considers that the Shire has an effective asset management system.

The ERA has decided to increase the review period from 24 to 36 months. The next review will cover the period 1 December 2022 to 30 November 2025, with the report due by 28 February 2026.

#### **Review findings**

The review of the 58 asset management system effectiveness criteria prescribed in the ERA's 2019 *Audit and Review Guidelines: Water Licences* found one asset management deficiency, which was in the performance of the Shire's environmental analysis processes.

The auditor made one recommendation to address the deficiency. The post-review implementation plan states that the Shire will address the recommendation by June 2023.

#### The ERA's assessment of the review findings

The Shire's asset management system has improved significantly since the last review.

The deficiency in the performance of the Shire's environmental analysis processes was due to the Shire not being able to demonstrate an understanding of its obligations to manage the public health and environmental impact of any discharge from its wastewater ponds. However, the Shire's Environmental Health Officer had contacted the Department of Health (DoH) and Department of Water and Environmental Regulation (DWER) during the review period to determine if there are any requirements to manage wastewater treatment pond discharge.

The Shire advised that its correspondence with DoH and DWER confirmed that the Shire's current discharge process is acceptable. However, a copy of the correspondence could not be located at the time of the audit, so the auditor rated the Shire deficient with the process. The auditor has recommended that this correspondence is located and referenced in the Shire's asset management plan to demonstrate an understanding of managing discharge from wastewater ponds.

Overall, the auditor found that the non-potable water and sewerage services provided by the Shire are operated in a professional and effective manner, and the assets are well-maintained and in good working order.

### **Further information**

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