

Operational Audit Report

Water Corporation

Water Services Licence (WL32)





**Building a better
working world**

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19 November 2024

Private and Confidential

Belinda Lee
Principal Regulatory Officer
Economic Regulation Authority (ERA)
469 Wellington Street,
Perth WA 6000

Water Services Licence (WL32) Operational Audit

Dear Belinda,

We are pleased to provide you with the Audit Report on the effectiveness of control procedures in relation to the WL32 for the Audit period 1 July 2022 to 30 June 2024. Our report describes the objective, scope of work performed, approach, and compliance assessment outcomes. This report relates to our procedures performed during July and August 2024.

We would like to take the opportunity to thank the Water Corporation's personnel who assisted us throughout the engagement.

If you have any queries regarding our report or the work that it describes, please do not hesitate to contact Nabendu Sharma at +61 8 9429 2458 or myself at +61 8 9429 2179.

Yours sincerely



Ernst & Young
Michael Rundus
Partner

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1. Independent Auditor's Report

Scope

We have been engaged by the Economic Regulation Authority (ERA) to perform a reasonable assurance engagement, as defined by the Australian Standards on Assurance Engagements, hereafter referred to as 'the engagement'.

The purpose of this audit was to assess the effectiveness of measures taken by the Water Corporation to meet the conditions of its WL 32 licence, including over the quality and performance standards required for the provision of the water services authorised by the licence.

The Water Corporation's responsibilities

The Water Corporation's management is responsible for compliance to meet the conditions referred to in its WL32 in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, remediating breaches, and making estimates that are relevant for compliance with WL32, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility was to express an opinion on the Water Corporation's compliance with the conditions referred to in its WL32, based on the evidence we have obtained.

We conducted our engagement in accordance with the Australian Standards on Assurance Engagements ("ASAE") 3000 - Assurance Engagements Other than Audits or Reviews of Historical Financial Information issued by the Auditing and Assurance Standards Board (the "AUASB"), ASAE 3100 - Compliance Engagements, ASA 500 - Audit Evidence, ASA 530 - Audit Sampling, 2019 Audit and Review Guidelines: Water Licences, updated in August 2022 and the Scope of Work for this engagement as agreed with the ERA. Those standards require that we plan and perform our engagement to obtain reasonable assurance about whether, in all material respects, the Water Corporation complied with the WL32 obligations and to issue a report. The nature, timing, and extent of the procedures selected depended on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe evidence that we have obtained were sufficient and appropriate to provide a reasonable basis for our opinion.

Our independence and quality control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board and have the required competencies and experience to conduct this assurance engagement.

EY also applies Australian Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

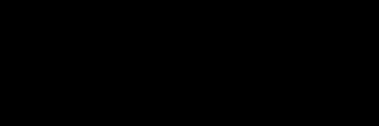
Opinion

In our opinion, except for the effect of the issues set out in the 'The basis for qualified conclusion' section below, the Water Corporation maintained, in all material respects, effective control procedures for the period 1 July 2022 to 30 June 2024, in accordance with the conditions of its WL32 as outlined in the approved Audit Plan (dated 26 July 2024).

The basis for the qualified conclusion: 43 Licence obligations listed within Section 2.7 (Summary of Findings - pg. 8) were assessed as non-compliant.

Restricted use

This report is intended solely for the information and use of the ERA and the Water Corporation (collectively the Recipients) and should not be used by anyone other than the Recipients.



Michael Rundus
Partner

19 November 2024

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2. Executive Summary

2.1 Background

The Water Corporation provides water, drainage and wastewater services to households, businesses and rural communities over 2.6 million square kilometres.

The Water Corporation is a corporation owned by the Government of Western Australia. In accordance with Section 25 of the Water Services Act, 2012, the Water Corporation is required to periodically undertake an Operational Audit (Audit) to assess the effectiveness of measures taken by the Water Corporation to meet the conditions referred to in Water Services Licence (WL32).

EY was appointed and approved by the ERA via the *Auditor Award Letter - 2024 Audit - WL32 - Water Corporation Pty Ltd* dated 2 May 2024 to conduct the Audit. The Audit was undertaken in accordance with the Audit Plan presented to the ERA and approved on 26 July 2024.

2.2 Objective

The purpose of this audit was to assess the effectiveness of measures taken by the Water Corporation to meet the conditions of its WL 32 licence during the period from 1 July 2022 to 30 June 2024, including over the quality and performance standards required for the provision of the water services authorised by the licence, and to issue a written report setting out the audit conclusion.

2.3 Scope

The Audit scope included an assessment of the Water Corporation's systems, process effectiveness, and use of regulatory controls based on risk and audit priority to confirm compliance with the obligations, standards, outputs, and outcomes required by WL32 (noting that progress against past non-compliances was also assessed). Specifically, the Audit focused on the following:

- Process compliance - the effectiveness of systems and procedures in place throughout the Audit period, including the adequacy of internal controls;
- Outcome compliance - the actual performance against standards prescribed in the licence throughout the Audit period;
- Output compliance - the existence of the output from systems prescribed in the licence throughout the Audit period (i.e., records exist to provide assurance that procedures are being consistently followed and controls are being maintained);
- Integrity of reporting - the completeness and accuracy of compliance and performance reporting by the Water Corporation to the ERA;
- Compliance with any individual licence conditions - the actual performance against the requirements imposed on the specific licensee by the ERA or specific matters raised by the ERA;
- Prior year post audit implementation plan - the progress and effectiveness of the prior year recommendations and management actions.

For this Audit, the ERA specified special focus areas including obligations from the Water Services Code of Conduct (Customer Service Standards) 2018, Water Services Act, 2012 and Water Services Code of Practice (Family Violence) 2020 to confirm that the Water Corporation is complying with compliance requirements related to the following:

- Payment difficulties and financial hardship (with protections the affected customers are entitled to under the Code of Conduct);
- Works requiring 48 hours' notice;
- Billing;
- Bill reviews/complaints;

- Under/overcharging;
- Notifications;
- Restrictions/restorations, interruptions; and
- Family Violence Policy.

The key legislation, regulations, codes, and guidelines that governed the Water Corporation's licensed operations during the Audit period were:

- Water Services Act, 2012;
- Water Services Regulations, 2013;
- Water Services Code of Practice (Family Violence), 2020;
- Water Services Code of Conduct (Customer Service Standards), 2018;
- Water Compliance Reporting Manual October 2021; and
- 2019 Audit and Review Guidelines: Water Licences, updated in August 2022.

2.4 Approach

EY's Audit approach was aligned with 2019 Audit and Review Guidelines: Water Licences, updated in August 2022 (ERA Audit Guidelines), ASAE 3000, ASAE 3100, ASA 500 and ASA 530. The following approach was applied for the execution of the approved Audit Plan and reporting such that reasonable assurance can be provided regarding the assessment of the Water Corporation's compliance with the WL32 obligations. The Audit fieldwork included performing of the following steps:

- Conducted process walkthroughs with key stakeholders and obtained relevant documentation to validate the design effectiveness of processes, controls, and systems (refer to Appendices B and C);
- Tested the controls (on a sample basis based on the Audit Priority rating) to determine operating effectiveness;
- Assessed compliance with the WL32 applicable licence obligations across the Water Corporation's control environment, information systems and control procedures;
- Assessed the status of remediation actions for self-reported non-compliances during the period from 1 July 2022 to 30 June 2024;
- Assessed the status of remediation actions for previous audit non-compliances;
- Conducted meetings with key stakeholders to discuss the results from our fieldwork, including findings, ratings, and recommendations for practical improvement (if any); and
- Reporting the compliance assessment outcome to the ERA and Water Corporation's Management for review and approval.

The Audit fieldwork was undertaken during July to September 2024 for processes and controls performed across the Water Corporation's offices in Leederville and Balcatta and the site office located in Geraldton. The work schedule and Audit team details have been defined in Appendices D and E respectively.

2.5 Overall Observations

Overall, we noted that the Water Corporation had, in all material respects, apart from the items noted in Section 2.7 (Summary of Findings), maintained effective control procedures for the period 1 July 2022 to 30 June 2024, in accordance with the conditions of its WL32 as outlined in the approved Audit Plan (dated 26 July 2024).

The Water Corporation maintains a strong positive and responsive culture of compliance, including timely breach remediation. Specifically, the Water Corporation has maintained the following in relation to its internal control procedures, structure and environment, compliance culture and

information systems, relevant to the WL32 obligations subject to the Audit:

- People - There is a strong awareness of obligations and understanding of roles and responsibilities by the teams relevant to the WL32 obligations. This Audit noted effective collaboration and communication between the teams.
- Process - Appropriate governance documentation and processes have been implemented to establish compliance expectations and embed good compliance management practices into day-to-day activities. These include maintaining compliance summaries that detail obligations and control(s) implemented, including reference to the respective policies and procedures. The compliance summaries are periodically reviewed and updated by the relevant stakeholders.
- Technology - the Water Corporation has developed and implemented relevant systems controls in Grange (Billing Management), Maximo and SAP (Work Order Management) to support compliance with obligations.

The 43 instances of non-compliance noted during the Audit period, 1 July 2022 to 30 June 2024, included 37 instances, which were self-identified and reported by the Water Corporation and six (6) instances, which were identified during the Audit review process. Appropriate corrective measures have been identified to address the non-compliance as well as to implement actions to minimise the risk of a re-occurrence to as low as reasonably possible. These non-compliances included three (3) moderate and 40 minor impact non-compliances and were largely related to notification to customers, billing management and restrictions and restorations. Further, three (3) compliance obligations were identified with control deficiencies but were not rated for compliance.

Of the 43 non-compliance instances, 16 were related to the ERA nominated areas of special focus, notice for breaking the road, restrictions and restorations and billing management. These non-compliances had all been self-reported by the Water Corporation and had either a minor or moderate impact on customers or third parties, and it was noted that 8 (50%) out of the 16 non-compliances were resolved during the Audit period.

2.6 Deviations from the Audit Plan

The following obligation represents a deviation from the approved Audit Plan. During the audit fieldwork, this obligation was determined to be 'Not Applicable' to the Water Corporation's operations.

Table 1: WL32 Obligation Not Relevant

Obligation No.	Licence Obligation	Auditor's comments
192	Water Services Code of Practice (Family Violence) 2020 Clause 5(2) The licensee must have a family violence policy before the end of the six-month period starting on either: 9 December 2020; or if the day of the grant of the licensee's licence is after 9 December 2020, the day of the grant of the licensee's licence.	This licence obligation was applicable in 2020 when the Family Violence Policy was first applicable to the Water Corporation. This obligation is no longer applicable to the current 2024 Operational Audit.

2.7 Summary of Findings

The table below summarises the 43 findings and three (3) control deficiencies identified in relation to the licence obligations during the period 1 July 2022 to 30 June 2024, where the Water Corporation had instances of non-compliance with the licence obligations and/or where control deficiencies were noted.

Table 2: Non-compliance with the WL32 Obligations

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
10	<p>The licensee must comply with each code of practice made by the Minister to the extent to which it applies to the licensee.</p> <p>Water Services Act Section 26(3):</p> <p>(3) It is a condition of every licence that the licensee must comply with each code of practice made under this section, as in force from time to time, to the extent to which it applies to the licensee.</p>	<p>Non-compliance and Control Deficiency rating - B/2 (non-compliant with generally adequate controls)</p> <p>On 9 December 2020, the Minister established a Code of Practice - the Code of Practice (Family Violence) - applicable to the Water Corporation which is listed as Obligations 191 to 198 in the ERA's Water Compliance Reporting Manual.</p> <p>Since Obligations 191 and 197 are marked as non-compliant items, this obligation is considered non-compliant during the audit period.</p>	Recommendations have been made under the individual license obligations where non-compliance has been identified.	
17	<p>Water Services Act, 2012 Sections 82(4) & (5)</p> <p>If a person must give the licensee notice of any building work to be carried out on land in the operating area of a licence, the licensee must return a copy of the plans and specifications contained in the notice with any written directions about the proposed building work that the licensee considers necessary to ensure the safety and efficacy of the provision of</p>	<p>Non-compliance and Control Deficiency rating - B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2022-23, where 25 (approximately 0.15%) out of 15,972 applications did not receive building approvals within seven (7) days of the receipt of payment. We noted that building approvals were sent to these 25 customers after the identification of the issue.</p> <p>The non-compliance resulted from an error in the automated process using BuilderNet. It was identified that an IT issue (system failure) in March 2023 caused the failure to send the approvals.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that the system issue identified in March 2023 has been resolved. Additionally, further controls, such as weekly</p>	The Water Corporation should investigate the monitoring mechanism of the weekly reporting for building approvals to ensure that corrective actions can be taken on a timely basis.	-

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
	water services provided or to be provided. The licensee must do this within seven (7) days of receiving the fee for dealing with the notification.	<p>reporting to identify any approval emails that have failed to send automatically to customers, have been implemented. However, we have been informed that the weekly report does not currently capture all the outstanding building approval requests that have not been resolved within seven (7) days. There have been no instances of non-compliance with this obligation in the 2023-24 period.</p> <p>Our review of 10 sampled customer building requests confirmed that all were approved within seven (7) days of receipt of payment.</p>		
23	<p>Water Services Act, 2012 Section 96(5)</p> <p>The licensee must comply with requests made by FESA or a local government under sections 96(3) and 96(4) of the Act to the extent practicable and within a reasonable time.</p>	<p>Non-compliance and Control Deficiency rating - B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24 due to delayed completion of hydrant requests as detailed below:</p> <ul style="list-style-type: none"> In 2022-23, five (5) out of 401 (1.24%) low-priority requests for the installation of hydrants were not completed within the required 1-year timeframe as specified by the "2021 MoU between DFES (Department of Fire and Emergency Services) and the Water Corporation". In 2023-24, four (4) out of 300 (1.34%) low-priority requests for the installation of hydrants were not completed within the required 1-year timeframe as specified by the 2021 MoU between DFES and the Water Corporation. <p>The non-compliance was attributed to resourcing constraints and challenges in accessing the network to undertake maintenance. The scheduling process across all regions also impacted the ability to complete low priority hydrant installations within the defined timeframe. It was noted that the installation of hydrants pending</p>	<p>The Water Corporation should focus on the low priority requests while utilising the monthly report and take corrective actions based on the root cause of each delay. Hydrant cases that are nearing their due dates should be escalated to management to ensure timely completion.</p>	-

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
		<p>on-site has been prioritised for completion.</p> <p>Additionally, it was noted that outstanding requests are reviewed through a monthly report, and dedicated personnel are employed for monitoring and oversight to ensure the completion of low priority requests within the defined timeframe.</p> <p>Our review of the monitoring reports for hydrant requests confirmed that the installation of hydrants for high and medium priorities was completed in accordance with the targets defined in the "2021 MoU between DFES and the Water Corporation."</p>		
31	<p>Water Services Act, 2012 Section 128(4)</p> <p>If the licensee has previously lodged a Memorial with the Registrar, the licensee must lodge a withdrawal of Memorial with Registrar along with the prescribed fee (if any) if the charge or contribution has been paid.</p>	<p>Non-compliance and Control Deficiency rating - B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2022-23, as it had been identified as non-compliant in the prior 2022 ERA Operational Audit:</p> <p>Memorials are typically removed when the debt is paid, either during the property settlement, when it is sold or when the customer clears the debt. The Water Corporation lodges a Memorial withdrawal application with the Landgate once the debt amount is received either directly from the customer or from the settlement agent.</p> <p>One (1) instance of non-compliance was identified during the 2022 Operational Audit, where the withdrawal of the Memorial was performed by the customer after they had cleared the debt (outside of a property settlement). Additionally, during the current Audit period, it was noted that in two (2) out of 38 cases, Memorials were not withdrawn by Water Corporation but were initiated by the customer. We noted that all these cases relate to Memorial withdrawal before January 2023.</p>	<p>Taking into consideration the nature of the control and non-compliance, and the actions already taken by the Water Corporation, we have considered that the implemented improved controls are adequate in addressing the cause of the non-compliance. There are no further recommendations.</p>	-

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
		<p>This non-compliance occurred because the process had not been updated for cases where a customer clears a debt outside of a property settlement.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that they have implemented a new process in January 2023 to ensure compliance by lodging the withdrawal and paying the prescribed fee, instead of requiring the customer to do so in instances outside of a settlement.</p> <p>Further, feedback and training have been provided to staff involved in this process, and a work instruction has been developed to ensure the process aligns with regulatory requirements. We noted that there has been no further non-compliance with this obligation since the implementation of the new process.</p> <p>Our review of 15 sampled events of withdrawn of Memorials (apart from self-reported instances), it was confirmed that in all cases, the withdrawal of Memorials was initiated by the Water Corporation with the payment of the prescribed fees.</p>		
32	<p>Water Services Act, 2012 Section 21(1)(a)</p> <p>If a routine inspection or maintenance is likely to cause disruption to the occupants of a place, at least 48 hours notice of a proposed entry must be given to the occupier of the place unless the occupier agrees otherwise.</p>	<p>Non-compliance and Control Deficiency rating - B/2 (non-compliant with generally adequate controls)</p> <p>Upon review of 10 sampled notices, we noted that in three (3) cases, a notice was issued only two days before the proposed entry. This indicates that the required notification was not provided to the occupier at least 48 hours prior to the proposed entry, as specified by the obligation.</p> <p>We further noted that, the system does not include a timestamp to verify notices are provided at least 48 hours in advance.</p>	<p>The Water Corporation should implement the following controls,:</p> <ul style="list-style-type: none"> Assigning clear accountability to personnel for issuing notifications at least 48 hours in advance. Sending a notification at the time of work order approval. Issuing notices three days in advance 	-

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
			rather than two.	
34	Water Services Act, 2012 Section 141(1) 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.	Non-compliance and Control Deficiency rating - B/3 (non-compliant with generally adequate controls) The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report of 2022-23 and 2023-24, as the Water Corporation failed to provide 48 hours prior notice to the road owner when it undertook works in the road reserve that broke the surface of the road: <ul style="list-style-type: none"> 2022-23: 15 (0.51%) instances during the FY 22-23 reporting period out of 2956 road break events were non-compliant. 2023-24: 19 (0.38%) instances during the FY 23-24 reporting period out of 4,958 road break events were non-compliant. The non-compliance was due to human error and oversight in not sending the notice at least 48 hours in advance. We noted that in the Annual Compliance Report, the Water Corporation confirmed that the notice was provided to the authority in all cases. Additionally, the Water Corporation has implemented periodic targeted awareness sessions with those involved across all the licence obligations for which they are responsible. Our review of 15 sampled notices confirmed that notices for road break events were provided to the Authority before 48 hours as required under the obligation.	The Water Corporation should implement the following controls: <ul style="list-style-type: none"> Assigning clear accountability to personnel for issuing notifications at least 48 hours in advance. Sending a notification at the time of work order approval. Issuing notices three days in advance rather than two. Maintaining a manual tracker of all road break events and ensuring that notifications are sent out in a timely manner. As a long-term consideration, the Water Corporation should implement system controls to ensure that 48 hours' notice is provided to the road owner when the Water Corporation intends to undertake road work that can break the surface	✓

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
			of the road.	
50	Water Services Act, 2012 Section 174(1) Notice of a proposed entry by the licensee must be in writing and must set out the purpose of the entry, including (if applicable) any work proposed to be carried out.	Non-compliance and Control Deficiency rating - B/2 (non-compliant with generally adequate controls) During the Mid-West Region site visit, it was noted that the Mid-West Region lacks a process for sending a formal Notice of Entry that includes the purpose of the entry and a description of any proposed work. We were informed that the Water Corporation employee seeks approval from the occupants via a call before visiting the occupier's premise. Our review of 10 samples across other regions confirmed that a written Notice of Entry is provided by the other regions to occupiers prior to the proposed entry.	The Water Corporation should develop a process and implement controls in the Mid-West Region to confirm that the Notice of Entry is provided to the occupier before the proposed entry.	-
53	Water Services Act, 2012 Section 175(5) If the licensee enters a dwelling that is unoccupied, the licensee must leave a notice, which includes the prescribed information, or a copy of the warrant (as applicable) in a prominent position in the dwelling before leaving the dwelling. Section 175(5) (5) If a dwelling that is entered by one or more authorised persons is unoccupied, an authorised	Non-compliance and Control Deficiency rating - C/2 (non-compliant with inadequate controls) The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2022-23 and 2023-24. This is because the notification card provided at the place of dwelling does not detail the employee's full name and official title due to security reasons; however, the crew number is provided. We have been informed that this stance has no impact on customers, as employees can be identified if required. Additionally, in a letter dated 18 December 2015, the Economic Regulation Authority (ERA) stated, <i>"The Authority acknowledges that the Water Corporation's current policy is a practical solution that both identifies the employee and ensures their safety. Accordingly, the ERA does not require the Water Corporation to take any further action in relation to this matter."</i> We noted that the notice left at the place of dwelling includes all	The Water Corporation should document and implement a process and/or alternate system solutions to demonstrate and confirm that notification cards are in a prominent position delivered in the dwelling before leaving; this may include obtaining formal acknowledgments from employees that they have left the notices.	-

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
	<p>person must leave the following in a prominent position in the dwelling before leaving the dwelling –</p> <p>(a) a notice stating –</p> <p>(i) the authorised person's full name and official title and the name of the authorising or designating authority; and</p> <p>(ii) that the dwelling has been entered;</p> <p>(b) if the entry was under a warrant – a copy of the warrant completed in accordance with section 190(5);</p> <p>(c) if the entry was otherwise than under a warrant – a notice stating the reason, and the authority, for the entry.</p>	<p>required information (apart from the employee's full name) as stipulated under section 175(5) of the Water Services Act, 2012.</p> <p>Through interviews with stakeholders, we noted that the Water Corporation does not maintain adequate documentation to demonstrate that the notices have been left at the occupiers' dwellings.</p>		
67	<p>Water Services Regulations 2013 Regulations 26(3)</p> <p>If the owner or occupier requests the licensee to test a meter and pays the charge (if any) for testing that type of meter, the licensee must test the meter in accordance with</p>	<p>Non-compliance and Control Deficiency rating - B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2022-23, noting that the regulations specifically require the CEO of the Department of Water and Environmental Regulation to approve the meter testing procedure instead of the Head of Engineering of the Water Corporation.</p>	<p>The Water Corporation should consult with the ERA to clarify the requirement in the Water Services Regulations and confirm whether the CEO of the Department of Water and Environmental Regulation must approve the procedure or the CEO can delegate</p>	-

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
	a procedure approved by the CEO for the purpose of this regulation.	Our review of 15 sampled meter testing requests confirmed that meter testing was carried out upon occupier's request, consistent with the approved Meter Testing Procedure.	that authority/approval . Based on feedback from the ERA, the Water Corporation should ensure that the procedure is approved by the appropriate authority.	
93	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 9(2) and (4) / Water Services Code of Conduct Customer Service Standards) 2024 Clause 9 (2) and (4)</p> <p>The licensee must ensure that, in any 12-month period, 90% of water supply service connections are completed before the end of 10 business days, starting on the day on which the customer has paid the relevant fees and complied with the relevant requirements.</p>	<p>Non-compliance and Control Deficiency rating - B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2022-23, as the Water Corporation achieved an 89.9% completion rate for water supply service connections within the specified period during the reporting period, falling short of the 90% target. The Water Corporation failed to meet the target on 967 occasions out of 9,576 new connections performed over the financial year 2022-23.</p> <p>The non-compliance was attributed to the need to redirect resources to address outstanding customer faults and meter jobs in February, March, and April of 2023.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that the responsible team now monitors their compliance with this obligation through a performance dashboard and dedicated personnel are dedicated to monitoring the compliance of this obligation. Additionally, there has been no non-compliance with this obligation in 2023-24 and 96.3% of new connections were completed within 10 business days.</p> <p>Our review of 10 sampled new connection requests confirmed that they were completed within the 10 business days required by the</p>	Taking into consideration the nature of the control, the instances of non-compliance, and the ongoing actions taken by the Water Corporation, we believe that the improved controls implemented are adequate in addressing the causes of the non-compliance. There are no further recommendations.	-

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
		obligation.		
94	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 10(2) / Water Services Code of Conduct (Customer Service Standards) 2024 Clause 10(2)</p> <p>If the licensee charges a fixed charge, the licensee must issue a bill for a fixed charge to each customer at least once in every 12-month period.</p>	<p>Non-compliance and Control Deficiency rating - B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2023-24. In January 2024, it was identified that bills were not being issued to customers who had elected to receive electronic bill delivery in instances where a permanent intercept had been applied to the account. Intercepts are applied when an account needs to be verified before being issued to the customer. Permanent intercepts were required to be reviewed before releasing bills to customers. This resulted in a total of 25 (0.0003%) out of 7.8 million bills with fixed charges not being issued over a 12-month period.</p> <p>This breach was a result of the intercepts not being reviewed and released, leading to accounts not being released to customers. We noted that in February 2024, permanent bill intercepts were removed from accounts.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that the Grange system rules were reviewed and enhanced, and daily reporting was developed to provide better control and oversight over the management of intercepts. Additionally, electronic intercepts are now regularly monitored to mitigate future instances of a breach.</p> <p>Our review 10 sampled customers confirmed that a bill for a fixed charge is issued once in a 12-month period.</p>	Taking into consideration the nature of the control, the instances of non-compliance, and the ongoing actions taken by the Water Corporation, we believe that the improved controls implemented are adequate in addressing the causes of the non-compliance. There are no further recommendations.	-
95	Water Services Code of Conduct (Customer Service Standards) 2018	<p>Non-compliance and Control Deficiency rating - B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-</p>	Taking into consideration the nature of the control, the relatively low	✓

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
	<p>Clause 11(2)/ Water Services Code of Conduct (Customer Service Standards) 2024 Clause 11(2)</p> <p>If the licensee charges a quantity charge, the licensee must issue a bill for a quantity charge to each customer at least once in every 4-month period.</p>	<p>reported as non-compliant by the Water Corporation in the Annual Compliance Reports of 2022-23 and 2023-24, failing to issue a bill for quantity charges to a customer every four months:</p> <p>In 2022-23, non-compliance occurred when a bill was sent to the wrong customer due to an email registration error. An investigation found that the 'test' My Water login page was inadvertently connected to the production environment, and an IT contractor mistakenly altered a customer's email address in the production environment instead of in a test environment. Recognised as an isolated incident, this error prompted feedback to the Project Manager and the disconnection of the contractor's access to the account on 27 March 2023, to prevent further incorrect correspondence. No non-compliance for similar reasons was noted in 2023-24.</p> <p>In January 2024, it was identified that electronic bills were not issued to customers with permanent intercepts on their accounts, which are placed for verification before issuance. This human error and oversight affected 160 accounts. The breach occurred due to an error in managing intercepts, which failed to release bills to the customers at least once in every four-month period. We noted that approximately 7.8 million bills are issued by the Water Corporation every year.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that the Grange system rules have since been reviewed and improved, with new reporting measures to better manage intercepts. Regular monitoring of electronic intercepts has been established to avoid future breaches.</p> <p>Our review of 10 sampled customers confirmed that bills have been issued at least once in a four-month period.</p>	<p>number of non-compliances to the number of transactions performed, and the ongoing actions taken by the Water Corporation, we have considered that the implemented improved controls are adequate in addressing the cause of the non-compliance. There are no further recommendations.</p>	

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
98A	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 11(6)/</p> <p>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 11(6)</p> <p>Despite subclauses 11(4) and (5), a bill for usage based on a meter reading must be issued at least once in every 12-month period.</p>	<p>Non-compliance and Control Deficiency rating - B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24, reporting that meter readings could not be obtained for 1611 (0.15%)* and 2022 (0.18%) meters, respectively, out of approximately 1.1 million meters within a 2-month period. We also noted that the Water Corporation has recently amended the monitoring reports to more accurately capture instances of non-compliance.</p> <p>The non-compliance was attributed to difficulties accessing meters due to walls, locked gates, and dogs on properties. We were informed that the efforts to contact these customers and resolve the issues were unsuccessful. In such cases, the Water Corporation issues bi-monthly bills based on estimated water usage and follows up with the customer.</p> <p>From 1 July 2024, a new subclause in the Customer Code will allow compliance under certain conditions. In response, the Water Corporation is developing a new process and communication strategy to issue compliance notices to customers who fail to provide access for meter readings within a 12-month period. This process will ensure compliance notices are issued only when customers do not provide adequate access, not when the Water Corporation is unable to obtain a reading due to severe weather or resource constraints in remote areas.</p> <p>Our review of 10 sampled customers confirmed that bills based on actual meter readings are issued at least once every 12-month period.</p> <p>* Since the Water Corporation changed its methodology for capturing non-compliance instances in 2023-2024, the figures for 2022-2023 have been revised to provide a</p>	The Water Corporation should implement a formal process of issuing compliance notices to customers who fail to provide access for meter reading within a 12-month period to be 100% compliant with the Water Services Code of Conduct (Customer Service Standards) 2024.	✓

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
		consistent basis for comparison. The non-compliance instances for 2022-2023 Annual Compliance Report were initially reported as 961, as opposed to 1611 under the new methodology.		
99	<p>Water Services Code of Conduct (Customer Service Standards) 2018 – Clause 12/</p> <p>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 12(3)</p> <p>The licensee must send a bill to the address of the place where the water service is provided or, if the customer nominates another address, to the nominated address.</p>	<p>Non-compliance and Control Deficiency rating – B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24, with two (2) and four (4) instances noted in 2022-23 and 2023-24, respectively, where bills were not sent to customers at their designated addresses.</p> <p>In 2022-23, one (1) instance occurred due to a human error and oversight, wherein the address was not correctly updated in the Electronic Advice of Sale (EAS) system of Landgate. The second instance was due to property sale transactions not being updated in a timely manner because of connectivity issues, resulting in the bill being sent to the seller instead of the new owner (purchaser) of the property.</p> <p>In 2023-24, the issues with sending the bill to the incorrect address were due to human error and oversight in recording the customer address, issues in the Electronic Advice Sale (EAS) system and errors in managing intercepts. This impacted 566 (0.0073%) customer bills out of approximately 7.8 million customer bills issued by the Water Corporation every year.</p> <p>We noted that customer bills were provided to the correct customer and address after the identification of the issue. We noted that in the Annual Compliance Report, the Water Corporation confirmed that additional training programs have been provided to prevent such cases in the future.</p> <p>In February 2024, the Grange system rules were reviewed and enhanced, and reporting was developed to</p>	Taking into consideration the nature of the control, the relatively low number of non-compliances to the number of transactions performed, and the ongoing actions taken by the Water Corporation, we have considered that the implemented improved controls are adequate in addressing the cause of the non-compliance. There are no further recommendations.	-

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
		<p>provide better control over the management of intercepts. Training and feedback have been provided to the relevant billing teams to ensure they understand the importance of monitoring and releasing accounts.</p> <p>Our review of 15 sampled customers confirmed that customer bills are sent to the address of the place where the water service was provided or, if the customer nominated another address, to that nominated address.</p>		
100A	<p>Water Services Code of Conduct (Customer Service Standards) 2018 – Clause 13 (3)/</p> <p>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 13(7)</p> <p>A bill issued for two (2) or more water services must specify the charge payable for each water service.</p>	<p>Non-compliance and Control Deficiency rating – B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24. During the 2022 Operational Audit, instances were noted where bills issued for two (2) or more services did not specify the charge payable for each water service.</p> <p>This non-compliance occurred because the Grange system was not configured to provide the information required under the compliance obligation.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that the billing template has been updated to include information on the charges when two or more water services are provided to a property.</p> <p>Our review of 10 sampled customer bills confirmed that bills issued for two or more water services now specify the charge payable for each service.</p>	<p>Taking into consideration the nature of the non-compliance and the actions taken by the Water Corporation, we have considered that the implemented improved controls are adequate in addressing the cause of the non-compliance. There are no further recommendations.</p>	✓
101	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 13 (4)/</p> <p>Water Services Code of Conduct</p>	<p>Non-compliance and Control Deficiency rating – B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2022-23.</p>	<p>Taking into consideration the nature of the non-compliance, and the actions taken by the Water Corporation, we have considered that the</p>	-

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
	<p>(Customer Service Standards) 2024 Clause 13(3)</p> <p>Each bill for usage for a metered water service must contain the specified information.</p> <p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 13(4)</p> <p>Each bill for usage for a metered water service must also contain the following information –(a) whether the bill was based on –</p> <p>(i) a meter reading; or (ii) an estimate of the quantity of water supplied or the quantity of wastewater discharged;</p> <p>(b) the billing period;</p> <p>(c) the number of days to which the bill applies; (d) the two (2) most recent dates on which the quantity of water supplied or the quantity of wastewater discharged was ascertained, whether by a meter reading or an estimate;</p> <p>(e) if the bill was</p>	<p>During the 2022 Operational Audit, it was identified that for 740 properties in Denham with multiple meters, the usage for each water service type (Desalinated and Saline) was not specified; only saline usage was displayed.</p> <p>This non-compliance occurred because the Grange system was not being configured to provide the information required under the compliance obligation.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that the IT solution in the Grange system and the billing template have been updated to comply with the obligation.</p> <p>Our review of 15 sampled customer bills confirmed that each bill for metered water service usage now contains the specified information as required under clause 13(4).</p>	<p>implemented improved controls are adequate in addressing the cause of the non-compliance. There are no further recommendations.</p>	

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
	<p>based on a meter reading –</p> <p>(i) the actual meter reading; and</p> <p>(ii) the total quantity of water supplied or the quantity of wastewater discharged according to the meter reading;</p> <p>(f) if the bill was based on an estimate, the total quantity of water supplied or the quantity of wastewater discharged according to the estimate;</p> <p>(g) information, if available, about the customer's water usage in the billing period compared with the customer's water usage (i) in the previous billing period; and</p> <p>(ii) in the corresponding billing period in the previous year.</p>			
104A	<p>Water Services Code of Conduct (Customer Service Standards) 2018 – Clause 15(3)/</p> <p>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 15(3)</p> <p>Each bill for usage to which</p>	<p>Non-compliance and Control Deficiency rating - B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24 because customer bills referenced the 'month'—not the 'day'—when the tariff would reset. It is not feasible to predict 12 months in advance the exact day the final meter reading of the year will occur, which is</p>	<p>With the introduction of the new Water Services Code of Conduct (Customer Service Standards) 2024, it is expected that the Water Corporation will be compliant with this compliance obligation based on the existing</p>	-

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
	<p>clause 15 applies must, in addition to the requirements of clause 13, contain the prescribed information.</p> <p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 15(3)</p> <p>(3) Each bill for usage to which this clause applies must, in addition to the requirements of clause 13, contain the following information</p> <p>(a) the tariff for each volumetric range within which water has been supplied to the customer;</p> <p>(b) how much more water the customer can be supplied with before supply will start to be in the next volumetric range;</p> <p>(c) the tariff for the next volumetric range;</p> <p>(d) 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).</p>	<p>when the tariff resets, resulting in a breach of this obligation.</p> <p>Our review of 15 sampled customer bills confirmed that they do not specify the day when the tariff for water supplied to the customer will revert to the lowest tariff, marking the start of the customer's next consumption year.</p> <p>We noted that an amendment to the Water Services Code of Conduct (Customer Service Standards) 2024, effective from 1 July 2024, now stipulates 'the day on which, or the month during which, the customer's next consumption year starts' which is the point when the tariff for water supplied to the customer will revert to the lowest tariff.</p>	<p>controls in place. There are no further recommendations.</p>	

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
108	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 18(3)/</p> <p>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 18(3)</p> <p>An undercharged amount must be the subject of, and explained in, a special bill or a separate item in the next bill.</p>	<p>Non-compliance and Control Deficiency rating - B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2023-24. In January 2024, it was identified that bills were not being issued to customers who had opted for electronic bill delivery when a permanent intercept had been applied to their accounts.</p> <p>Bill intercepts are used in case management of customer accounts for a variety of reasons, such as when the Water Corporation wishes to review a bill prior to its release to the customer. This review may be necessary to make adjustments before issuing the bill or to intercept very large bills to prevent bill shock, allowing for customer interaction before the bill is released.</p> <p>This breach occurred because the intercepts were not properly reviewed, resulting in bills not being released to customers. This impacted 97 (23%) accounts out of 421 where the customer bills did not include the undercharge amount as a separate item.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that in February 2024, permanent bill intercepts were removed from accounts. The Grange system rules were reviewed and enhanced, and reporting was developed to improve the management of intercepts. There has been no further non-compliance since system rules enhancement in February 2024.</p> <p>Additionally, training and feedback were provided to the relevant billing teams to ensure they understand the importance of monitoring and releasing accounts. Starting from March 2024, electronic intercepts are regularly monitored to prevent future</p>	<p>Taking into consideration the nature of the control, the relatively low number of non-compliances to the number of transactions performed, and the ongoing actions taken by the Water Corporation, it is considered that the implemented improved controls are adequate in addressing the cause of the non-compliance. There are no further recommendations.</p>	-

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
		<p>instances of a breach.</p> <p>Upon review of 10 sampled undercharged invoices, we noted that the undercharged amounts are appropriately explained in accordance with clause 18(3) of the Water Services Code of Conduct (Customer Service Standards) 2018.</p>		
109	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 98(4)/</p> <p>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 18(4)</p> <p>The licensee must not charge interest or late payment fees on an undercharged amount.</p>	<p>Non-compliance and Control Deficiency rating - B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2022-23 and 2023-24. During the 2022 Operational Audit, it was identified that three (3) undercharged accounts had accrued interest or late payment fees after the bill for the adjusted charge became overdue.</p> <p>This non-compliance occurred because the Grange system was not configured to restrict the interest or late payment fees on the undercharged amount and interest/late payment fees were levied after the due date.</p> <p>Upon review of 10 sampled customers, we noted that in one (1) instance, the interest was charged on the total amount (including undercharge).</p> <p>We further noted that the Water Services Code of Conduct (Customer Service Standards) 2024 had introduced a new obligation from 1 July 2024. This inclusion will allow the Water Corporation to charge interest on undercharged amounts in instances where the customer has failed to pay the undercharged amount by the due date and does not enter a repayment plan. This change aligns with the Water Corporation's current process, which will enable compliance from 1 July 2024.</p>	<p>The Water Corporation is expected to be compliant from the current financial year with the recent changes to the Water Services Code of Conduct (Customer Service Standards) 2024. There are no further recommendations.</p>	✓

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
111A	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 19(2)/</p> <p>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 19(2)</p> <p>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.</p>	<p>Non-compliance and Control Deficiency rating - B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24. During the 2022 Operational Audit, it was identified that the Water Corporation did not comply with the 15-business day timeframe for notifying customers about the outcome of a review that resulted in an overcharge.</p> <p>Also, out of the 13,869 overcharges reported between 1 January 2024, and 30 June 2024, the Water Corporation recorded 100 breaches (0.72%) of the 15-business day key performance indicator (KPI).</p> <p>We noted that these breaches were primarily due to human error and oversight.</p> <p>Our review of 15 sampled overcharge instances confirmed that customers have been informed within 15 days of the Water Corporation becoming aware of an overcharge amount.</p>	<p>The Water Corporation should implement the following measures:</p> <ul style="list-style-type: none"> Create weekly exception reports to identify cases where the 15-business day timeline may not be met and prioritise cases where there is a possibility of non-compliance. Review common themes or issues that result in communication not being made within 15 business days. Provide periodic training for employees to ensure that overcharges are reported to customers in a timely manner. 	✓
115	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clauses 20(3) & (6)/</p> <p>Water Services Code of Conduct (Customer Service Standards) 2024 Clauses 22(2) &</p>	<p>Non-compliance and Control Deficiency rating - B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the 2023-24 Annual Compliance Report due to deficiencies in their Review Bill Procedure and website information, which did not fully meet the requirements of Clause 20(3). The Water Corporations' readiness audit</p>	<p>Taking into consideration the nature of the control and the actions already taken by the Water Corporation, it is considered that the implemented improved controls are adequate in addressing the cause of the non-compliance. There</p>	-

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
	<p>(4)</p> <p>The review procedure in clause 20(2) must include the specified information and be available on the licensee's website and a hardcopy provided to a customer upon request at no charge.</p>	<p>(i.e. 'pre-audit') performed in 2023 highlighted that:</p> <ul style="list-style-type: none"> • The Review Bill Procedure did not clearly reference the customer's ability to request a meter reading in the event that they dispute an estimate; and • The Customer & service commitments webpage did not specifically advise what the customer can do if unsatisfied with the outcome of the review. • <p>On June 30, 2024, the Water Corporation published a new Review Bill Procedure on their website and updated internal control documentation to explicitly meet the requirements of Clauses 20(3) and (6), including:</p> <ul style="list-style-type: none"> • Clear instructions for requesting a meter reading when disputing an estimate. • Specific guidance for customers unsatisfied with the review outcome. • Information on obtaining a hard copy of the review bill procedure at no cost. <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that a new control ensures that any future updates to control documentation and website content undergo a compliance review before publication to maintain conformity.</p> <p>Our review confirmed that the updated Bill Review Procedure adequately covers all contents required under Clause 20(3) of the Water Services Code of Conduct (Customer Service Standards) 2018.</p>	are no further recommendations.	

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
116	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 20(4)/</p> <p>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 22(3)</p> <p>The review procedure must state that the customer may, but does not have to, use the licensee's complaints procedure mentioned in clause 46 before or instead of applying to the water services Ombudsman or, if available, making an appeal from, or applying for a review of, the decision under regulations mentioned in section 222(2)(k) of the Act.</p>	<p>Non-compliance and Control Deficiency rating - B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2023-24, as the 2023 pre-audit identified that the Review Bill Procedure did not fully comply with the requirements of Clause 20(4). The procedure contradicted the Customer Service Code's stipulation that customers should be informed of their right to choose whether to use the Water Corporation's complaints procedure before or instead of applying to the Ombudsman.</p> <p>On June 30, 2024, the Water Corporation published a new Review Bill Procedure on their website and updated internal control documentation to explicitly meet the requirements of Clauses 20(4).</p> <p>Additionally, a control has been established whereby any future revisions to the control documentation and website content must undergo a compliance review before publication to ensure ongoing conformity.</p> <p>Our review of the bill review procedure noted that it now adequately covers the items required by Clause 20(4) of the Water Services Code of Conduct (Customer Service Standards) 2018.</p>	<p>Taking into consideration the nature of the control and the actions already taken by the Water Corporation, it is considered that the implemented improved controls are adequate in addressing the cause of the non-compliance. There are no further recommendations.</p>	-
117	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 20(5)</p> <p>The licensee must inform the customer of the outcome of a review of the customer's bill as soon as practicable or</p>	<p>Non-compliance and Control Deficiency rating - C/2 (non-compliant with inadequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24 due to instances where bill reviews could not be completed within 15 business days:</p> <ul style="list-style-type: none"> In 2022-23, out of 15,265 bill reviews, 628 instances (4.11%) 	<p>The Water Corporation should use monitoring reports to identify exceptions. Root cause analysis should be conducted for exceptions, prioritising the resolution of common themes and issues.</p>	✓

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
	otherwise less than 15 business days from the day the customer's request for review was received.	<p>exceeded the 15-business day timeframe.</p> <ul style="list-style-type: none"> In 2023-24, of the 9,174 bill reviews, 354 instances (3.86%) were not completed within 15 days. <p>In cases where the bill review could not be finalised, an interim response was provided to the customer within 15 days. The delays were primarily due to the need for inspections of remote properties or inaccessible locations.</p> <p>We have noted that the timeframe has been extended from 15 days to 20 days with the implementation of the new Water Services Code of Conduct (Customer Service Standards) 2024. Our review of 10 sampled bill review requests confirmed that the bill review was completed within 15 days of receiving the customer's request.</p>		
117A	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 21/ Water Services Code of Conduct (Customer Service Standards) 2024 Clause 20(1)</p> <p>The licensee must notify each of its customers of any change to the amount or rate of a water service charge in accordance with the requirements in clause 21(2).</p> <p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 21</p> <p>21. Notice of</p>	<p>Non-compliance and Control Deficiency rating - B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2022-23 and 2023-24. During the 2022 Operational Audit, it was identified that bills issued for water service charges did not include annual changes to the amount or rate.</p> <p>This non-compliance occurred because the system was not configured to provide information as required under the compliance obligation.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that the Grange system changes, which include a prescriptive bill message, were deployed into production in April 2024. The bill message will apply to all bills that have a service charge component issued between 1 July and 31 August each financial year.</p>	Taking into consideration the nature of the non-compliance and the actions already taken by the Water Corporation, we have considered that the implemented improved controls are adequate in addressing the cause of the non-compliance. There are no further recommendations.	-

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
	<p>alterations to charges</p> <p>(1) A licensee must notify each of its customers of any change to the amount or rate of a water service charge.</p> <p>(2) The notification – (a) must be given not later than when the next bill for a water service charge of that kind is issued under clause 10(2) or 11(2) and sent to the customer under clause 12; and (b) may be included in that next bill.</p>	<p>Our review of 10 sampled customer bills confirmed that bills issued before April 2024 did not include the information required under clause 21(2) of the Water Services Code of Conduct (Customer Service Standards) 2018. However, upon reviewing five (5) sample bills issued after April 2024, we noted that the information required under clause 21(2) of the Water Services Code of Conduct (Customer Service Standards) 2018 is also included.</p>		
118	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 23/</p> <p>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 24</p> <p>The time set by the licensee for the payment of a bill must be after 14 days from when the bill is issued.</p>	<p>Non-compliance and Control Deficiency rating – B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24, where instances of bill payment terms being less than 14 days were identified as follows:</p> <ol style="list-style-type: none"> 2022-23: The 2022 Operational Audit noted three (3) instances where billing terms were shorter than 14 days due to a system error. 2023-24: <ul style="list-style-type: none"> On December 4, 2023, e-billing customers did not receive email notifications for new bills, specifically when the notification included more than five bills. In January 2024, customers who had chosen electronic bill delivery did not receive bills when a permanent intercept 	<p>The Water Corporation should improve system controls in the Grange system to ensure that payment terms for customers are accurately reflected in their bills.</p>	✓

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
		<p>was placed on their accounts for verification purposes. Additionally, in the same month, three breaches involving special meter reading requests from December 2023 were identified, each with an incorrect due date of one (1) day.</p> <ul style="list-style-type: none"> In June 2024, a system issue caused customers to receive bills with due dates that coincided with the issue dates. This issue impacted a total of 237 customers during the Audit period. <p>The Water Corporation issues approximately 7.8 million customer bills every year. We noted that in the Annual Compliance Report, the Water Corporation confirmed that the Grange system has been improved to ensure that at least 14 days are provided as the payment term for each customer bill. Additionally, reporting has been developed to monitor instances where an account's due date is less than 16 days from the date of issue.</p> <p>Our review of 10 sampled customer bills confirmed that the payment due dates are set for 14 days or more after the bill issue date.</p>		
130A	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(2)/ Water Services Code of Conduct (Customer Service Standards) 2024 Clause 33(2)</p> <p>The licensee must advise a customer who has been assessed as experiencing financial hardship</p>	<p>Non-compliance and Control Deficiency rating - B/2 (non-compliant with generally adequate controls)</p> <p>During our review of 10 sampled customer calls involving hardship customers, we noted that in one (1) case, the customer was not informed of their right to pay the bill under an interest-free and fee-free payment plan or another arrangement that allows for an extended time to pay the bill or arrears as required under clause 30(2) of the Water Services Code of Conduct (Customer Service Standards) 2018.</p> <p>Additionally, the customer did not agree to a payment plan after the call.</p>	<p>The Water Corporation should perform the measures:</p> <ul style="list-style-type: none"> Conduct periodic awareness training for team members. Continue performing periodic compliance reporting and perform spot checks on customer calls 	✓

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	that they have a right to pay the bill under an interest-free and fee-free payment plan or other arrangement under which the customer is given more time to pay the bill or arrears, and the licensee must offer to enter an appropriate plan or arrangement with the customer.	We noted that this instance of non-compliance occurred due to human error and oversight.	to ensure that payment plans are offered to customers.	
133A	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 32/</p> <p>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 35</p> <p>The licensee must not charge interest or fees for late payment of a bill by a customer in the specified circumstances.</p> <p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 32</p> <p>32. No interest or charges for late payment in certain cases</p> <p>(1) A licensee must not charge interest or fees for late payment</p>	<p>Non-compliance and Control Deficiency rating - A/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2022-23 because, in one (1) instance (0.05%), a hardship customer was incorrectly charged interest on their bill, out of approximately 2000 hardship customers supported by the Water Corporation every year.</p> <p>This error occurred because the customer's record was not updated to indicate their participation in the hardship program.</p> <p>We noted that the interest charges were credited back to the customer's account to rectify the error.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that the Grange system controls have been implemented to detect instances where hardship customers are charged interest or late payment fees, and no instances of non-compliance with this obligation were found in 2023-24.</p> <p>Our review of 10 sampled customers confirmed that interest or late payment charges are not imposed on</p>	Taking into consideration the nature of the non-compliance and the actions already taken by the Water Corporation, we have considered that the implemented improved controls are adequate in addressing the cause of the non-compliance. There are no further recommendations.	✓

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	<p>of a bill by a customer –</p> <p>(a) if the licensee has assessed, under its financial hardship policy, that the customer is experiencing financial hardship; or</p> <p>(b) if a complaint made by the customer to the licensee that directly relates to the non-payment of the bill is not resolved; or</p> <p>(c) if a complaint made by the customer to the water services Ombudsman that directly relates to the non-payment of the bill is not determined or is upheld by the water services Ombudsman.</p>	customers covered under clause 32.		
134A	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 33(1)(d)-(e)/ Water Services Code of Conduct (Customer Service Standards) 2024 Clause 36(1)(d)-(e)</p> <p>The licensee must not commence or continue proceedings to recover a debt from a customer if a complaint made by the customer to the</p>	<p>Non-compliance and Control Deficiency rating - B/2 (non-compliant with generally adequate controls)</p> <p>During our review of 10 sampled customer complaints directly related to the water service charge, we noted that in one (1) case, recovery proceedings were initiated for a customer whose complaint was still pending resolution.</p> <p>We noted that this instance of non-compliance occurred due to human error and oversight.</p>	<p>The Water Corporation should perform the following measures:</p> <ul style="list-style-type: none"> Conduct periodic awareness training for team members. Carry out periodic compliance reporting and perform spot checks on complaint customers to ensure that recovery proceedings 	✓

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
	licensee or water services Ombudsman, which directly relates to the water service charge to which the debt relates, is not resolved by the licensee (or is not determined or is upheld by the Ombudsman).		are not started against those customers. As a long-term consideration, the Water Corporation should implement system controls to ensure that recovery proceedings are not initiated against customers with pending complaints awaiting resolution.	
137A	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 36(1)/ Water Services Code of Conduct (Customer Service Standards) 2024 Clause 39(1)</p> <p>The licensee must not start a water supply restriction unless the licensee has given the customer a reminder notice (that includes the information specified in clause 35), the water service charge has still not been paid in full, and the licensee has given the customer a restriction notice.</p> <p>Water Services Code of Conduct (Customer Service</p>	<p>Non-compliance and Control Deficiency rating - C/3 (non-compliant with inadequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2023-24 as follows:</p> <ul style="list-style-type: none"> Reminder notices include overdue amounts shown as a single overdue total, which does not cover all details about the amount of the unpaid water service charge and the date on which it became due. Due to the Water Corporation's single ledger billing system, it is not possible to determine which prior bill a customer's unpaid amount relates to. In April 2024, the Water Corporation analysed historical data on records of restriction notices and actual restrictions performed on properties, and noted that a system error had occurred in the past, which resulted in 176 instances where properties were restricted without having been sent either a restriction notice (172 properties) or a reminder notice (4 properties). Three of these properties did not receive either notice. 	<p>The Water Corporation should implement the following measures:</p> <ul style="list-style-type: none"> Create periodic exception reports to identify cases where a reminder or restriction notice was not issued and prioritize cases where there is a possibility of non-compliance. Implement controls to ensure that the issuance of a reminder or restriction notice is verified before a work order for restrictions is issued. Provide periodic training for 	-

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
	<p>Standards) 2018 Clause 35</p> <p>35. Reminder notice</p> <p>If a water service charge has become due and has not been paid in full, the licensee may give the customer a written reminder notice advising the customer</p> <p>(a) of the amount of the unpaid water service charge and the date on which it became due; and</p> <p>(b) of the licensee's telephone number for account, payment and general enquiries; and</p> <p>(c) that the licensee can be contacted for assistance if the customer is experiencing problems paying the bill for the unpaid water service charge.</p>	<p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that in May 2024, a system fix was implemented, which ensures notices are sent when progressing bulk recovery actions. We also noted that an upgrade of the billing system is scheduled to occur in the future, which should address this issue in the long term.</p> <p>Our review of 10 sampled restricted customers confirmed, in four (4) cases, the restriction/reminder notice was not provided to customers before the start of the water supply restriction.</p>	<p>employees to ensure they are aware of the importance of issuing reminder and restriction notices.</p> <p>As a long-term consideration, the Water Corporation should continue with the planned upgrade of the billing system to ensure that an adequate breakdown of overdue amounts is provided in the reminder notices.</p>	
137B	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 36(2)/ Water Services Code of Conduct (Customer Service Standards) 2024 Clause 39(2)</p> <p>The licensee must not give a</p>	<p>Non-compliance and Control Deficiency rating - C/2 (non-compliant with inadequate controls)</p> <p>The compliance obligation was non-compliant as in April 2024, the Water Corporation analysed historical data on records of restriction notices and actual restrictions performed on properties and noted that a system error had occurred in past, which resulted in 176 instances where properties were restricted without having been sent either a restriction notice (172 properties) or a reminder</p>	<p>The Water Corporation should implement the following measures:</p> <ul style="list-style-type: none"> Create periodic exception reports to identify cases where a reminder or 	

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
	customer a restriction notice less than 7 days before the day on which the water supply restriction is proposed to start.	<p>notice (4 properties). Three of these properties did not receive either notice.</p> <p>However, we were informed that a notification card is always sent to the occupier's premises seven (7) days in advance to inform them about the restriction.</p> <p>The Water Corporation confirmed that in May 2024, a system fix was implemented, which ensures notices are sent when progressing bulk recovery actions. We also noted that an upgrade of the billing system is scheduled to occur in the future, which should address this issue in the long term.</p> <p>Our review of 10 sampled restricted customers confirmed, in four (4) cases, the restriction/reminder notice was not provided to customers before the start of the water supply restriction.</p>	<p>restriction notice was not issued and prioritize cases where there is a possibility of non-compliance .</p> <ul style="list-style-type: none"> • Implement controls to ensure that the issuance of a reminder or restriction notice is verified before a work order for restrictions is issued. • Provide periodic training for employees to ensure they are aware of the importance of issuing reminder and restriction notices. <p>As a long-term consideration, the Water Corporation should continue with the planned upgrade of the billing system to ensure that an adequate breakdown of overdue amounts is provided in the</p>	

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
			reminder notices.	
137C	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 36(3)/</p> <p>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 39(3) The restriction notice must include the specified information.</p> <p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 36(3): (3) A restriction notice must, in addition to anything else –</p> <p>(a) explain the reason for the proposed water supply restriction; and</p> <p>(b) advise the customer of the earliest date on which the water supply restriction may start; and</p> <p>(c) inform the customer of the existence and operation of the licensee's complaints procedure mentioned in clause 46; and</p>	<p>Non-compliance and Control Deficiency rating - B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2022-23. During the 2022 Operational Audit, it was identified that the Water Corporation had failed to include the URL link to the procedure for dealing with complaints about water services on the restriction notice. This omission resulted in non-compliance with Clause 36(3)(c).</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that on 27 February 2023, an IT enhancement was implemented to update the restriction notice, ensuring it contained the required URL for the complaints procedure.</p> <p>On review of 15 sampled restriction notices, we noted that the information required under clause 36(3) was included in the notices.</p>	<p>Taking into consideration the nature of the non-compliance and the actions already taken by the Water Corporation, we have considered that the implemented improved controls are adequate in addressing the cause of the non-compliance. There are no further recommendations.</p>	-

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
	<p>(d) inform the customer of the procedures available to the customer under the Act as to applying to the water services Ombudsman under a scheme approved under section 65 and provide a Free call telephone number for the office of the water services Ombudsman; and</p> <p>(e) inform the customer of the applicable procedures, including any costs, for the restoration of the water supply if the water supply restriction is started.</p>			
138B	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 38/</p> <p>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 41</p> <p>The licensee must not start a water supply restriction on or during the specified times.</p> <p>No water supply restriction at certain times. A licensee must not start a water supply restriction</p>	<p>Non-compliance and Control Deficiency rating - B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2022-23 because the Water Corporation failed to initiate water restrictions within the specified timeframes on 13 (3.25%) occasions during the 2022-23 period and on eight (8) (2%) occasions in the 2023-24 period out of approximately 400 restriction events that occur every year. These breaches occurred when restrictions began after 3 pm or on a Total Fire Ban Day.</p> <p>To address these issues, the Water Corporation has taken the following actions:</p> <ul style="list-style-type: none"> Attached a standard work instruction (SWI) for work orders 	<p>Taking into consideration the nature of the non-compliance and the ongoing actions taken by the Water Corporation, we have considered that the implemented improved controls are adequate in addressing the cause of the non-compliance. There are no further recommendations.</p>	✓

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
	<p>–</p> <p>(a) on a Friday, Saturday, Sunday or public holiday or on the day before a public holiday; or</p> <p>(b) on a day on which a total fire ban has effect under the Bush Fires Act 1954 in the area of the State in which the place at which water is supplied to the customer is located; or</p> <p>(c) after 3 pm on any day.</p>	<p>as a reminder of legislative requirements for field crews.</p> <ul style="list-style-type: none"> Issued communications to field crews reinforcing the new SWI and legislative requirements. Enhanced performance monitoring of compliance with monthly reviews. <p>Additional measures included the following:</p> <ul style="list-style-type: none"> Periodic awareness training for Team Leaders and Field Workers. Monthly compliance reporting to Middle Management and Team Leaders. In January 2024, a partnership with DFES was established to access Total Fire Ban data for improved monitoring and reporting. <p>We were informed that there has been no further non-compliance following the implementation of the aforementioned measures.</p> <p>Our review of 10 sampled restriction events confirmed no deviations from the times specified in clause 38.</p>		
139	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 39</p> <p>The licensee must not, under section 95(1)(b) or (2) of the Act, reduce the rate of flow of water to a customer below 2.3 litres each minute.</p>	<p>Non-compliance and Control Deficiency rating - B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2023-24.</p> <p>We understand that a Flow Control Device (FCD) is used for restricting the water supply for customers. The restriction is lifted after 14 of days of applying restrictions. We were informed that previously, a 2.3 litre FCD was used for restricting customer accounts.</p> <p>The use of a 2.3 litre per minute flow control device (FCD) has been identified as potentially restricting the flow rate below the prescribed threshold of 2.3 litre per minute</p>	<p>The Water Corporation should implement the following:</p> <ul style="list-style-type: none"> Replace current 2.3 litre per minute FCD where it is used for restriction with 3.5 litre per minute FCD. Use 3.5 litre per minute FCD for all future restrictions. 	

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
		<p>under certain pressure levels.</p> <p>This presents a potential risk for non-compliance if these devices are utilised in areas experiencing low water pressure at any given time within the supply network.</p> <p>We noted that the number of customers affected is unknown and difficult to ascertain. It is also challenging to determine whether a property being restricted is experiencing low pressure.</p> <p>The Water Corporation have determined that the use of a 3.5 litre per minute FCD is suitable for ensuring compliance with this obligation. The Water Corporation have commenced engagement with Stores and Procurement to ensure the FCDs are available. The Water Corporation is discontinuing the use of the 2.3-litre-per-minute FCD and will switch to the 3.5-litre-per-minute FCD once it is available in stores.</p>		
140	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 41(2)</p> <p>The Water Corporation must restore a water supply to land in the metropolitan region within the specified timeframe, unless the licensee and customer expressly agree otherwise.</p> <p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 41(2)</p> <p>(2) If the licensee is the Water Corporation and</p>	<p>Non-compliance and Control Deficiency rating - B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2023-24 as the Water Corporation failed to restore a water supply to land in the metropolitan area within the specified timeframes on one (1) (0.36%) occasion out of 281 restorations events that occurred during the year. We noted that the property was vacant at the time of restoration, having no impact on the customer. This was due to a human error and oversight in the restoration process, resulting in the work order not being allocated to the correct team for execution.</p> <p>We noted that in the Annual Compliance Report, the Water</p>	<p>Taking into consideration the nature of the control, the relatively low number of non-compliances to the number of transactions performed, and the ongoing actions taken by the Water Corporation, we have considered that the implemented improved controls are adequate in addressing the cause of the non-compliance. There are no further recommendations.</p>	✓

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
	<p>the land is in the metropolitan region, the Water Corporation must restore a water supply –</p> <p>(a) if the restoration event occurs before 3 pm on a business day, by the next business day; or</p> <p>(b) if the restoration event occurs at any other time, within the next 2 business days, unless the licensee and customer expressly agree otherwise.</p>	<p>Corporation confirmed that the process has been updated to ensure there is communication with the relevant team advising of the restoration work order.</p> <p>Our review of 10 sampled restoration events confirmed that restoration was performed by the Water Corporation within the defined timeframe.</p>		
141	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 41(3)/</p> <p>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 44(3)</p> <p>The Water Corporation must restore a water supply to land outside the metropolitan region within the specified timeframe, unless the licensee and customer expressly agree otherwise.</p>	<p>Non-compliance and Control Deficiency rating – B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2023-24 as the Water Corporation failed to restore the water supply to land outside the metropolitan region within the specified timeframes on one (1) (0.92%) occasion out of 109 restorations events that occurred during the year.</p> <p>The breach occurred due to resourcing challenges experienced during the Easter long weekend. It was noted that service was restored following the identification of the breach.</p> <p>The Water Corporation advised in the Annual Compliance Report that the following actions have been taken post-breach identification:</p> <ul style="list-style-type: none"> Continuing to monitor and report compliance with this obligation. 	<p>Taking into consideration the nature of the control, the relatively low number of non-compliances to the number of transactions performed, and the ongoing actions taken by the Water Corporation, we have considered that the implemented improved controls are adequate in addressing the cause of the non-compliance. There are no further recommendations.</p>	✓

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
		<ul style="list-style-type: none"> Providing further training to relevant staff. Reinforcing the need to deliver restorations within the required timeframes. <p>Our review of 10 sampled restoration events confirmed that restoration was performed by the Water Corporation within the defined timeframe.</p>		
144A	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 43(1)/</p> <p>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 46(1)</p> <p>The licensee must give notice of any planned service interruption to each customer that will be affected by the service interruption.</p>	<p>Non-compliance and Control Deficiency rating - C/NR (Not-rated for compliance with inadequate controls)</p> <p>A control deficiency against this compliance obligation was self-reported by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24. This is because, although the Maximo System is used to record planned outages, it lacks tracking of notifications sent to customers.</p> <p>We noted that the Water Corporation does not have the capability to track accurately whether and when notifications are delivered, resulting in no effective control to demonstrate compliance with the obligation.</p>	The Water Corporation should implement system and/or manual controls to ensure that all planned outage information is recorded accurately and notifications are sent to affected customers in a timely manner.	✓
144B	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 43(2)/</p> <p>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 46(2)</p> <p>The notice of any planned service interruption must be given within the prescribed timeframes.</p> <p>Water Services Code of Conduct (Customer</p>	<p>Non-compliance and Control Deficiency rating - C/NR (Not-rated for compliance with inadequate controls)</p> <p>A control deficiency against this compliance obligation was self-reported by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24. This is because, although the Maximo System is used to record planned outages, it lacks tracking of notifications sent to customers 48 hours before the scheduled outage time.</p> <p>We noted that the Water Corporation does not have the capability to track accurately whether and when notifications are delivered, resulting</p>	The Water Corporation should explore system or manual solutions to address limitations, enabling the recording of all planned outage information and ensuring notifications are sent to affected customers in a timely manner.	✓

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
	<p>Service Standards) 2018 Clause 43(2)</p> <p>(2) The notice must be given –</p> <p>(a) not less than 48 hours before the start of the service interruption; or</p> <p>(b) if it is not reasonably practicable to comply with paragraph (a), at the earliest practicable time before the start of the service interruption.</p>	<p>in no effective control to demonstrate compliance with the obligation.</p>		
144E	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 45/ Water Services Code of Conduct (Customer Service Standards) 2024 Clause 48</p> <p>The licensee must provide a 24-hour information line by means of which, at the cost of a local telephone call (excluding mobile telephones), a customer can notify the licensee of emergencies and faults, and get information about the reason for, and the expected duration of, any</p>	<p>Non-compliance and Control Deficiency rating – B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2022-23 due to a Telstra outage during the weekend of 4 and 5 February 2023, which resulted in customers being unable to contact the Water Corporation faults line (131 375).</p> <p>We noted that Telstra rectified the fault and issued a customer impact statement.</p> <p>We also noted that the Water Corporation has backup systems in place for their corporate in-house phone network provided by Cisco Solutions, if required. Additionally, a chat feature is available on the website if the faulted telephone line is unavailable for connection.</p> <p>We noted that there was no non-compliance with clause 45 of the Water Services Code of Conduct (Customer Service Standards) 2018</p>	<p>Taking into consideration the nature of the non-compliance and existing controls to manage compliance with this obligation, we have considered that the implemented improved controls are adequate in addressing the cause of the non-compliance. There are no further recommendations.</p>	-

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
	unplanned service interruption.	in 2023-24.		
149A	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 47/ Water Services Code of Conduct (Customer Service Standards) 2024 Clause 50</p> <p>When the licensee considers that a customer's complaint has been resolved the licensee must advise the customer, accordingly, inform the customer that the customer has a right to apply to the water services Ombudsman for a review of the complaint, and provide a Free call telephone number for the water services Ombudsman.</p>	<p>Non-compliance and Control Deficiency rating - B/3 (non-compliant with generally adequate controls)</p> <p>The Water Corporation self-reported non-compliance with the compliance obligation in the Annual Compliance Reports for 2022-2023 and 2023-2024. This was due to failures in providing the required information about the right to apply to the Water Services Ombudsman for a review of complaints and failing to provide a toll-free telephone number for the Water Services Ombudsman in 123 (10.11%) out of 1,217 complaint responses in 2022-2023, and in 94 (4.47%) out of 2,101 complaint responses in 2023-2024. We noted that this is primarily due to human error and oversight.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that to address this, they have established a centralised Internal Dispute Resolution (IDR) function within the Customer Service Business Unit in 2022. The IDR team focuses on educating staff about complaint definitions and processes and uses non-compliance as a learning opportunity to prevent future issues. Actions taken include:</p> <ul style="list-style-type: none"> Implementing a system enhancement to prompt staff to inform customers about the Ombudsman when closing complaints. Introducing enhanced, regular reporting to detect potential breaches of this obligation. Providing ongoing complaints management refresher training to all customer-facing staff. 	<p>The Water Corporation should complete the development of its complaints operating model, including training packages.</p> <p>Additionally, the Water Corporation should provide training and awareness on a regular basis to increase employee awareness and reinforce the importance of providing necessary information to customers.</p>	✓

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
		We further noted that the Water Corporation is currently developing its complaints operating model, including training packages. We were informed that after the implementation of the aforementioned measures, the compliance rate significantly improved from 90.7% in 2021-2022 to 95.85% in 2023-2024. Our review of 10 sampled complaints confirmed that the required information under clause 4 is now being provided to customers.		
153	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 49(1)/ Water Services Code of Conduct (Customer Service Standards) 2024 Clause 52(1) The licensee must make the prescribed information publicly available.</p> <p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 49(1) 49. Information to be publicly available (1) A licensee must make information about the following matters publicly available – (a) the fees and charges that will be imposed and collected by the licensee; (b) the licensee's</p>	<p>Non-compliance and Control Deficiency rating – B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report of 2022-23. During the 2022 Operational Audit, information as required under clause 49 (1) (h) was not published on the website.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that they have reviewed and updated the information on the website on 3 April 2023.</p> <p>Through our review of the Water Corporation website, we noted that all information except information as per clause 48(c), a large-print version of any of the licensee's publicly available documents, was published on the website.</p> <p>We noted that the website was updated after the identification of the issue during the Audit.</p>	Taking into consideration the nature of the non-compliance and existing controls to manage compliance with this obligation, we have considered that the implemented improved controls are adequate in addressing the cause of the non-compliance. There are no further recommendations.	-

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
	<p>bill payment method options and the fees and charges (if any) associated with each bill payment method offered;</p> <p>(c) the concessions that are available to customers;</p> <p>(d) the services provided by the licensee under clause 48;</p> <p>(e) the power of a person authorised by a licensee under section 129 to enter a place without consent, notice or warrant to read a meter connected to the licensee's water service works;</p> <p>(f) the obligations of customers under the regulations to ensure that access to a meter is available;</p> <p>(g) that under section 95(1)(b), the licensee may cut off, or reduce the rate of flow of, a supply of water if a water service charge remains unpaid for 30 days after it becomes due;</p> <p>(h) that if the customer is offered a payment plan or other arrangement giving the</p>			

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	<p>customer more time to pay the bill or to pay arrears, the licensee's power as mentioned in paragraph (g) can only be exercised if –</p> <p>(i) the customer has not accepted the offer within the period of 7 days after the day on which it was made; or</p> <p>(ii) having entered such a plan or other arrangement, the customer does not comply with it;</p> <p>(i) that under section 95(3), the supply of water cannot be cut off to an occupied dwelling unless the occupier agrees;</p> <p>(j) the quality of water and its management;</p> <p>(k) sustainable use of water;</p> <p>(l) planned and unplanned interruptions of water supply or other incidents that may significantly affect the provision of water services to customers.</p>			

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
154	<p>Water Services Code of Conduct (Customer Service Standards) 2013 Clause 49(2)/ Water Services Code of Conduct (Customer Service Standards) 2024 Clause 52(2)</p> <p>The licensee must ensure that the specified information about bills may be obtained from its website.</p> <p>Water Services Code of Conduct (Customer Service Standards) 2013 Clause 49(2):</p> <p>(2) A licensee must ensure that the following information about bills may be obtained from its website</p> <p>(a) if a bill is based on an estimate, that the licensee will tell a customer on request –</p> <p>(i) the basis of the estimate; and</p> <p>(ii) the reason for the estimate;</p> <p>(b) that in the case of a metered water service, a customer may request a meter reading and bill to determine the outstanding charge for a period that is not</p>	<p>Non-compliance and Control Deficiency rating – B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the 2022-23 Annual Compliance Report. During the 2022 Operational Audit, it was found that the website lacked the following information:</p> <p>(a) Details on how a customer could request a meter test, including information about testing charges and reimbursement; and</p> <p>(b) A statement that customers may request a meter reading when estimated reads are provided.</p> <p>This omission occurred due to an error that resulted in the deletion of information from the website.</p> <p>On review of the Annual Compliance Reports, we noted that the missing information was restored on the website on 22 August 2022, and 8 March 2023. Additional controls have been implemented, with the Policy and Compliance team now liaising with the Digital team to conduct a mandatory compliance check before any changes are made to the website, facilitated through a service request form.</p> <p>Through our review of the Water Corporation website, we noted that all required information has been appropriately published in accordance with clause 49(2) of the Water Services Code of Conduct (Customer Service Standards) 2013.</p>	<p>Taking into consideration the nature of the non-compliance and the actions already taken by the Water Corporation, we have considered that the implemented improved controls are adequate in addressing the cause of the non-compliance. There are no further recommendations.</p>	-

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
	<p>the same as the usual billing cycle;</p> <p>(c) that in the case where a customer disputes an estimate on which a bill is based, the customer may request a meter reading (if the water service is metered and the meter is operable) and in any event a revised bill and that if the customer so requests, information about the fees that apply;</p> <p>(d) that a customer may request, in accordance with the regulations mentioned in section 79(3)(b), the testing of a meter and that if the customer so requests, information about the fees that apply and when the fees may be reimbursed in accordance with the regulations mentioned in section 79(3)(c);</p> <p>(e) that the bill can be reviewed in accordance with the licensee's review procedure mentioned in</p>			

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
	clause 20; (f) that complaints about the provision of a water service by the licensee or a failure by the licensee to provide a water service can be made in accordance with the licensee's complaints procedure mentioned in clause 46.			
154D	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 53/ Water Services Code of Conduct (Customer Service Standards) 2024 Clause 56 Despite clause 43(3), in the case of a service interruption that will affect a supply address recorded on the preserved supply register, the notice required by clause 43(1) must be sent by post or delivered to that supply address.	Non-compliance and Control Deficiency rating - C/NR (Not-rated for compliance with inadequate controls) During review of the process of sending a notification to service customers for preserved supply customers, we noted that an SMS is shared with all customers. However, we noted that the Water Corporation does not have the capability to track accurately whether and when written notice as required under required by clause 43(1) is delivered, resulting in no effective control to demonstrate compliance with the obligation.	With the introduction of the new Water Services Code of Conduct (Customer Service Standards) 2024 effective from 1 July 2024, the Water Corporation is expected to comply with this obligation, as an SMS is sent to all preserved supply customers to notify them of service interruptions.	
167	Water Services Act, 2012 Section 12 The licensee must provide the ERA with the data required for performance reporting	Non-compliance and Control Deficiency rating - B/2 (non-compliant with generally adequate controls) The compliance obligation was self-reported as non-compliant by the Water Corporation in the 2022-23 Annual Compliance Report because the Final National Performance Audit	Taking into consideration the nature of non-compliance and the actions already taken by the Water Corporation, we have considered that the	-

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
	<p>purposes as specified in the Water, Sewerage and Irrigation Licence Performance Reporting Handbook, and the National Performance Framework that apply to the licensee.</p> <p>Clause 4.8.1 and 4.8.2</p> <p>4.8.1 The licensee must provide to the ERA in the manner and form specified by the ERA, specified information on any matter relevant to the operation or enforcement of the licence, the operation of the licensing scheme provided for in Part 2 of the Act, or the performance of the ERA's function under that Part.</p> <p>4.8.2 Without limiting clause 4.8.1, the licensee must provide the ERA with the data required for performance reporting purposes that is specified in:</p> <p>(a) the Water, Sewerage and Irrigation Licence Performance Reporting</p>	<p>Report was submitted on 1 November 2022 after the due date (25 October 2022) requested by the ERA resulting in the submission being six (6) days late.</p> <p>The Water Corporation informed us that the issue arose from an observation in the National Performance Audit, where auditors noted conflicting town boundaries among stakeholders in different business units. We noted that the delay was primarily due to the time required to reach an agreement on common town boundaries with all stakeholders and to submit the National Performance Audit Report to the ERA.</p>	<p>implemented improved controls are adequate in addressing the cause of the non-compliance. There are no further recommendations.</p>	

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
	Handbook; and (b) the National Performance Framework: urban performance reporting indicators and definitions handbook.			
190	<p>Water Services Act, 2012 Section 12 clause 4.1.1</p> <p>The licensee must operate, manage, maintain, plan and construct its drains and drainage schemes as set out below, and shall consult in relation to such activities as required by this Schedule.</p> <p>Clause 4.1.2</p> <p>Urban drainage scheme infrastructure provided by the licensee for the purpose of constructed, operated and maintained such that the peak flows of stormwater runoff from rainfall events can be accepted into and will not overflow from the system in accordance with the following standard: Drainage - Design of new urban infrastructure Design of new</p>	<p>Non-compliance and Control Deficiency rating - B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report of 2023-24 due to some drainage failures because of heavy rainfall.</p> <p>The Water Corporation implemented actions to confirm the drains were cleared and commenced a detailed study to be completed by the end of 2024 to determine if there are broader capacity issues and/or upgrades required.</p>	<p>The Water Corporation should complete the capacity reviews and implement necessary upgrades. Additionally, the Water Corporation should also enhance the risk-based process of inspection/ maintenance of the drainage system that is carried out as per the Asset Management Planning process before the heavy rainfall season to confirm that such incidents in future are minimised.</p>	-

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
	<p>urban drainage scheme infrastructure protects against flooding from peak flows of stormwater runoff from rainfall events with intensities up to:</p> <ul style="list-style-type: none"> – Residential - 5-year average recurrence interval – Commercial - 10-year average recurrence interval 			
191	<p>Water Services Code of Practice (Family Violence) 2020 Clause 5(1)</p> <p>The licensee must have a family violence policy that sets out the matters specified in clause 5(1).</p> <p>Water Services Code of Practice (Family Violence) 2020 Clause 5(1)</p> <p>5. Family violence policy</p> <p>(1) A licensee must have a policy (a family violence policy) that sets out the following matters –</p> <p>(a) the training to be provided to employees and other persons interacting with customers on behalf of the licensee to enable them to</p>	<p>Non-compliance and Control Deficiency rating - B/2 (non-compliant with generally adequate controls)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2022-23. During the 2022 Operational Audit, it was identified that some of the clauses were not adequately covered in the Family Violence Policy. For example, it lacked details on informing customers about external support services (Clause 5(1)(b)), a process for identifying affected customers without them having to repeat their situation (Clause 5(1)(c)), measures to protect customers' family violence information (Clause 5(1)(d)), procedures for addressing payment difficulties and financial hardship (Clause 5(1)(e)), and a method for requesting written evidence when necessary (Clause 5(1)(g)).</p> <p>We noted that this issue had occurred due to human error and oversight where the Water Corporation followed the approved template for creation of the policy, which was not cross-referenced to ensure compliance with the requirements stated in clause</p>	<p>Taking into consideration the nature of non-compliance and the actions already taken by the Water Corporation, we have considered that the implemented improved controls are adequate in addressing the cause of the non-compliance. There are no further recommendations.</p>	✓

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
	<p>appropriately respond to customers affected by family violence;</p> <p>(b) the information to be provided to customers affected by family violence about external services through which they can receive support, and when that information is to be provided;</p> <p>(c) a process by which the account of a customer affected by family violence can be identified by employees without the need for a customer to repeat details of the issues;</p> <p>(d) how information obtained from, or relating to, customers affected by family violence is to be protected;</p> <p>(e) in what circumstances a customer affected by family violence will, as a result, be taken to be experiencing –</p> <p>(i) payment difficulties for the purposes of the Water Services Code of Conduct (Customer Service</p>	<p>5(1).</p> <p>We noted that on 26 June 2023, the Water Corporation had reviewed, updated, and published the Family Violence Policy on its external website, meeting the Audit recommendations.</p> <p>After reviewing the Family Violence Policy, we noted that it lacks the information required by Clause 5(1)(f) (Debt Management and Recovery) of the Water Services Code of Practice (Family Violence) 2020. We noted that the Water Corporation has since updated and approved their policy and published the revisions on their website following the identification of this issue during the audit.</p>		

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
	Standards) 2018; or (ii) financial hardship for the purposes of the licensee's financial hardship policy; (f) how the licensee is to deal with debt management and recovery in relation to the accounts of customers affected by family violence; (g) that the licensee must not request written evidence of family violence from a customer unless the evidence is reasonably necessary to enable the licensee to assess appropriate measures that it may take in relation to debt management and recovery.			
197	Water Services Code of Practice (Family Violence) 2020 Clause 9 When a customer affected by family violence first contacts a licensee about a particular matter relating to the family violence, the licensee must inform the customer of the existence and operation of the	Non-compliance and Control Deficiency rating - B/2 (non-compliant with generally adequate controls) The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24. This was due to the sensitive nature of calls related to family violence, which historically made it inappropriate to notify customers about the complaints handling procedure at the time of first contact. In May 2024, the Water Corporation	The Water Corporation should explore Interactive Voice Response (IVR) system solutions that provide complaint information as required by Clause 9 before directing the call to the customer service centre. This will ensure that all necessary information is conveyed before a	-

Obligation No.	Licence Obligation	Findings	Auditor's recommendations	Areas of special focus
	licensee's complaints procedure under clause 46 of the Water Services Code of Conduct (Customer Service Standards) 2018.	<p>revised its scripting, updated its control documentation, and provided training to relevant staff to enable compliance with this obligation. However, it has been confirmed by the Water Corporation that it is not always possible to comply with this obligation due to the sensitivity and confronting content of the calls received by the Water Corporation.</p> <p>We further noted that the responsible staff may find it difficult to find an appropriate opportunity to inform customers about the Water Corporation's complaints procedure.</p> <p>Our review of 15 sampled family violence customers' call recordings confirmed that complaints information was adequately provided to eight (8) out of 15 customers.</p>	customer service executive answers the call.	

2.8 Summary of Previous Audit Recommendations

This Audit considered the Water Corporation's progress in executing the action plans detailed in the 2022 Operational Audit Report. Based on our review of relevant documents, interviews with Water Corporation personnel, and consideration of the results from testing against the associated license obligations, we determined that the Water Corporation has completed 13 recommendations (52%) out of the 25 provided during the 2022 Operational Audit. We also noted that two (2) recommendations no longer need to be implemented due to recent changes in the Water Services Code of Conduct (Customer Service Standards) 2024, which will be applicable from 1 July 2024. The remaining 10 (40%) obligations were found to be non-compliant, with recommendations yet to be fully implemented.

Refer to Section 4 Previous Audit non-compliances and recommendations of this report for further details.

2.9 Summary of Recommendations to Address Current Non-compliances and Control Deficiencies

The table below summarises the recommendations raised to address the current non-compliances and control deficiencies identified during the Audit. These recommendations have been discussed with the Water Corporation management and will be incorporated into the Post Audit Implementation Plan.

Table 3: Recommendations to Address Current Non-Compliances and Control Deficiencies

Rec Reference	Non-Compliance / Controls Improvement	Auditor's recommendations	Action taken by the licensee by the end of audit period
01/2024	<p>Obligation 17 (B/2) Water Services Act, 2012 Sections 82(4) & (5)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2022-23, where 25 (approximately 0.15%) out of 15,972 applications did not receive building approvals within seven (7) days of the receipt of payment. We noted that building approvals were sent to these 25 customers after the identification of the issue.</p> <p>The non-compliance resulted from an error in the automated process using BuilderNet. It was identified that an IT issue (system failure) in March 2023 caused the failure to send the approvals.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that the system issue identified in March 2023 has been resolved. Additionally, further controls, such as weekly reporting to identify any approval emails that have failed to send automatically to customers, have been implemented. However, we have been informed that the weekly report does not currently capture all the outstanding building approval requests that have not been resolved within seven (7) days. There have been no instances of non-compliance with this obligation in the 2023-24 period.</p> <p>Our review of 10 sampled customer building requests confirmed that all were</p>	<p>The Water Corporation should investigate the monitoring mechanism of the weekly reporting for building approvals to ensure that corrective actions can be taken on a timely basis.</p>	<p>The recommendation has not been addressed and will be incorporated into the Post Audit Implementation Plan for the 2024 Audit.</p>

Rec Reference	Non-Compliance / Controls Improvement	Auditor's recommendations	Action taken by the licensee by the end of audit period
	approved within seven (7) days of receipt of payment.		
02/2024	<p>Obligation 23 (B/2) Water Services Act, 2012 Section 96(5)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24 due to delayed completion of hydrant requests as detailed below:</p> <ul style="list-style-type: none"> In 2022-23, five (5) out of 401 (1.24%) low-priority requests for the installation of hydrants were not completed within the required 1-year timeframe as specified by the <i>"2021 MoU between DFES and the Water Corporation."</i>. In 2023-24, four (4) out of 300 (1.34%) low-priority requests for the installation of hydrants were not completed within the required 1-year timeframe as specified by the <i>2021 MoU between DFES and the Water Corporation</i>. <p>The non-compliance was attributed to resourcing constraints and challenges in accessing the network to undertake maintenance. The scheduling process across all regions also impacted the ability to complete low-priority hydrant installations within the defined timeframe. It was noted that the installation of hydrants pending on-site has been prioritised for completion.</p> <p>Additionally, it was noted that outstanding requests are reviewed through a monthly</p>	<p>The Water Corporation should focus on the low priority requests while utilising the monthly report and take corrective actions based on the root cause of each delay. Hydrant cases that are nearing their due dates should be escalated to management to ensure timely completion.</p>	<p>The recommendation is an ongoing process and will be incorporated into the Post Audit Implementation Plan for the 2024 Audit.</p>

Rec Reference	Non-Compliance / Controls Improvement	Auditor's recommendations	Action taken by the licensee by the end of audit period
	<p>report, and dedicated personnel are employed for monitoring and oversight to ensure the completion of low-priority requests within the defined timeframe.</p> <p>Our review of the monitoring reports for hydrant requests confirmed that the installation of hydrants for high and medium priorities was completed in accordance with the targets defined in the "2021 MoU between DFES and the Water Corporation."</p>		
03/2024	<p>Obligation 32 (B/2) Water Services Act, 2012 Section 21(1)(a)</p> <p>Upon review of 10 sampled notices, we noted that in three (3) cases, a notice was issued only two days before the proposed entry. This indicates that the required notification was not provided to the occupier at least 48 hours prior to the proposed entry, as specified by the obligation.</p> <p>We further noted that, the system does not include a timestamp to verify notices are provided at least 48 hours in advance.</p>	<p>The Water Corporation should implement the following controls:</p> <ul style="list-style-type: none"> Assigning clear accountability to personnel for issuing notifications at least 48 hours in advance. Sending a notification at the time of work order approval. Issuing notices three days in advance rather than two. 	<p>The recommendation has not been addressed and will be incorporated into the Post Audit Implementation Plan for the 2024 Audit.</p>
04/2024	<p>Obligation 34 (B/3) Water Services Act, 2012 Section 141(1)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report of 2022-23 and 2023-24, as the Water Corporation failed to provide 48 hours prior notice to the road owner when it undertook works in the road reserve that broke the surface of the road:</p> <ul style="list-style-type: none"> 2022-23: 15 (0.51%) 	<p>The Water Corporation should implement the following controls:</p> <ul style="list-style-type: none"> Assigning clear accountability to personnel for issuing notifications at least 48 hours in advance. Sending a notification at the time of work order approval. Issuing notices three days in advance, rather than two. Maintaining a manual tracker of all road break events and ensuring that notifications are sent out in a timely manner. 	<p>The recommendation is an ongoing process and will be incorporated into the Post Audit Implementation Plan for the 2024 Audit.</p>

Rec Reference	Non-Compliance / Controls Improvement	Auditor's recommendations	Action taken by the licensee by the end of audit period
	<p>instances during the FY 22-23 reporting period out of 2,956 road break events were non-compliant.</p> <ul style="list-style-type: none"> 2023-24: 19 (0.38%) instances during the FY 23-24 reporting period out of 4,958 road break events were non-compliant. <p>The non-compliance was due to human error and oversight in not sending the notice at least 48 hours in advance.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that the notice was provided to the authority in all cases. Additionally, the Water Corporation has implemented periodic targeted awareness sessions with those involved across all the licence obligations for which they are responsible.</p> <p>Our review of 15 sampled notices confirmed that notices for road break events were provided to the Authority before 48 hours as required under the obligation.</p>	<p>As a long-term consideration, the Water Corporation should implement system controls to ensure that 48 hours' notice is provided to the road owner when the Water Corporation intends to undertake road work that can break the surface of the road.</p>	
05/2024	<p>Obligation 50 (B/2) Water Services Act, 2012 Section 174(1)</p> <p>During the Mid-West Region site visit, it was noted that the Mid-West Region lacks a process for sending a formal Notice of Entry that includes the purpose of the entry and a description of any proposed work. We were informed that the Water Corporation employee seeks approval from the occupants via a call before visiting the occupier's premise.</p> <p>Our review of 10 sampled notices across other regions</p>	<p>The Water Corporation should develop a process and implement controls in the Mid-West Region to confirm that the notice of entry is provided to the occupier before the proposed entry.</p>	<p>The recommendation has not been addressed and will be incorporated into the Post Audit Implementation Plan for the 2024 Audit.</p>

Rec Reference	Non-Compliance / Controls Improvement	Auditor's recommendations	Action taken by the licensee by the end of audit period
	confirmed that a written Notice of Entry is provided by the other regions to occupiers prior to the proposed entry.		
06/2024	<p>Obligation 53 (C/2) Water Services Act, 2012 Section 175(5)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2022-23 and 2023-24. This is because the notification card provided at the place of dwelling does not detail the employee's full name and official title due to security reasons; however, the crew number is provided. We have been informed that this stance has no impact on customers, as employees can be identified if required.</p> <p>Additionally, in a letter dated 18 December 2015, the Economic Regulation Authority (ERA) stated, <i>"The Authority acknowledges that the Water Corporation's current policy is a practical solution that both identifies the employee and ensures their safety. Accordingly, the ERA does not require the Water Corporation to take any further action in relation to this matter."</i> We noted that the notice left at the place of dwelling includes all required information (apart from the employee's full name) as stipulated under section 175(5) of the Water Services Act, 2012.</p> <p>Through interviews with stakeholders, we noted that the Water Corporation does not maintain adequate documentation to demonstrate that the notices have been left at the occupiers' dwellings.</p>	The Water Corporation should document and implement a process to demonstrate and confirm that notification cards are in a prominent position in the dwelling before leaving the dwelling; this may include obtaining formal acknowledgments from employees that they have left the notices.	The recommendation has not been addressed and will be incorporated into the Post Audit Implementation Plan for the 2024 Audit.

Rec Reference	Non-Compliance / Controls Improvement	Auditor's recommendations	Action taken by the licensee by the end of audit period
07/2024	<p>Obligation 67 (B/2)</p> <p>Water Services Regulations 2013 Regulations 26(3)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2022-23, noting that the regulations specifically require the CEO of the Department of Water and Environmental Regulation to approve the meter testing procedure instead of the Head of Engineering of the Water Corporation.</p> <p>Our review of 15 sampled meter testing requests confirmed that meter testing was carried out upon occupier's request, consistent with the approved Meter Testing Procedure.</p>	<p>The Water Corporation should consult with the ERA to clarify the requirement in the Water Services Regulations and confirm whether the CEO of the Department of Water and Environmental Regulation must approve the procedure, or the CEO can delegate that authority/approval. Based on feedback from the ERA, the Water Corporation should ensure that the procedure is approved by the appropriate authority.</p>	<p>The recommendation has not been addressed and will be incorporated into the Post Audit Implementation Plan for the 2024 Audit.</p>
08/2024	<p>Obligation 98A (B/2)</p> <p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 11(6)/ Water Services Code of Conduct (Customer Service Standards) 2024 Clause 11(6)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24, reporting that meter readings could not be obtained for 1611 (0.15%)* and 2022 (0.18%) meters, respectively, out of approximately 1.1 million meters within a 2-month period. We also noted that the Water Corporation has recently amended the monitoring reports to more accurately capture instances of non-compliance.</p> <p>The non-compliance was attributed to difficulties accessing meters due to walls,</p>	<p>The Water Corporation should implement a formal process of issuing compliance notices to customers who fail to provide access for meter reading within a 12-month period to be 100% compliant with the Water Services Code of Conduct (Customer Service Standards) 2024.</p>	<p>The recommendation has not been addressed and will be incorporated into the Post Audit Implementation Plan for the 2024 Audit.</p>

Rec Reference	Non-Compliance / Controls Improvement	Auditor's recommendations	Action taken by the licensee by the end of audit period
	<p>locked gates, and dogs on properties. We were informed that the efforts to contact these customers and resolve the issues were unsuccessful. In such cases, the Water Corporation issues bi-monthly bills based on estimated water usage and follows up with the customer.</p> <p>From 1 July 2024, a new subclause in the Customer Code will allow compliance under certain conditions. In response, the Water Corporation is developing a new process and communication strategy to issue compliance notices to customers who fail to provide access for meter readings within a 12-month period. This process will ensure compliance notices are issued only when customers do not provide adequate access, not when the Water Corporation is unable to obtain a reading due to severe weather or resource constraints in remote areas.</p> <p>Our review of 10 sampled customers confirmed that bills based on actual meter readings are issued at least once in every 12-month period.</p> <p>* Since the Water Corporation changed its methodology for capturing non-compliance instances in 2023-2024, the figures for 2022-2023 have been revised to provide a consistent basis for comparison. The non-compliance instances for 2022-2023 Annual Compliance Report were initially reported as 961, as opposed to 1611 under the new methodology.</p>		
09/2024	Obligation 111A (B/2)	The Water Corporation should	The recommendation

Rec Reference	Non-Compliance / Controls Improvement	Auditor's recommendations	Action taken by the licensee by the end of audit period
	<p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 19(2)/ Water Services Code of Conduct (Customer Service Standards) 2024 Clause 19(2)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24. During the 2022 Operational Audit, it was identified that the Water Corporation did not comply with the 15-business day timeframe for notifying customers about the outcome of a review that resulted in an overcharge.</p> <p>Also, out of the 13,869 overcharges reported between 1 January 2024, and 30 June 2024, the Water Corporation recorded 100 breaches (0.72%) of the 15-business day key performance indicator (KPI).</p> <p>We noted that these breaches were primarily due to human error and oversight.</p> <p>Our review of 15 sampled overcharge instances confirmed that customers have been informed within 15 days of the Water Corporation becoming aware of an overcharge amount.</p>	<p>implement the following measures:</p> <ul style="list-style-type: none"> Create weekly exception reports to identify cases where the 15-business day timeline may not be met and prioritise cases where there is a possibility of non-compliance. Review common themes or issues that result in communication not being made within 15 business days. <p>Provide periodic training for employees to ensure that overcharges are reported to customers in a timely manner.</p>	<p>is an ongoing process and will be incorporated into the Post Audit Implementation Plan for the 2024 Audit.</p>
10/2024	<p>Obligation 117 (C/2)</p> <p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 20(5)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24 due to instances where bill reviews could not be</p>	<p>The Water Corporation should use monitoring reports to identify exceptions. Root cause analysis should be conducted for exceptions, prioritising the resolution of common themes and issues.</p>	<p>The recommendation is an ongoing process and will be incorporated into the Post Audit Implementation Plan for the 2024 Audit.</p>

Rec Reference	Non-Compliance / Controls Improvement	Auditor's recommendations	Action taken by the licensee by the end of audit period
	<p>completed within 15 business days:</p> <ul style="list-style-type: none"> In 2022-23, out of 15,265 bill reviews, 628 instances (4.11%) exceeded the 15-business day timeframe. In 2023-24, of the 9,174 bill reviews, 354 instances (3.86%) were not completed within 15 days. <p>In cases where the bill review could not be finalised, an interim response was provided to the customer within 15 days. The delays were primarily due to the need for inspections of remote properties or inaccessible locations.</p> <p>We have noted that the timeframe has been extended from 15 days to 20 days with the implementation of the new Water Services Code of Conduct (Customer Service Standards) 2024.</p> <p>Our review of 10 sampled bill review requests confirmed that the bill review is completed within 15 days of receiving the customer's request.</p>		
11/2024	<p>Obligation 118 (B/2)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24, where instances of bill payment terms being less than 14 days were identified as follows:</p> <ol style="list-style-type: none"> 2022-23: <p>The 2022 Operational Audit noted three (3) instances where billing terms were shorter than 14 days due to a system</p>	<p>The Water Corporation should improve system controls in the Grange system to ensure that payment terms for concession customers are accurately reflected in their bills.</p>	<p>The recommendation has not been addressed and will be incorporated into the Post Audit Implementation Plan for the 2024 Audit.</p>

Rec Reference	Non-Compliance / Controls Improvement	Auditor's recommendations	Action taken by the licensee by the end of audit period
	<p>error.</p> <p>2. 2023-24:</p> <ul style="list-style-type: none"> On December 4, 2023, e-billing customers did not receive email notifications for new bills, specifically when the notification included more than five bills. In January 2024, customers who had chosen electronic bill delivery did not receive bills when a permanent intercept was placed on their accounts for verification purposes. Additionally, in the same month, three breaches involving special meter reading requests from December 2023 were identified, each with an incorrect due date of one (1) day. In June 2024, a system issue caused customers to receive bills with due dates that coincided with the issue dates. This issue impacted a total of 237 customers during the Audit period. <p>The Water Corporation issues approximately 7.8 million customer bills every year. We noted that in the Annual Compliance Report, the Water Corporation confirmed that the Grange system has been improved to ensure that at least 14 days are provided as the payment term for each customer bill. Additionally, reporting has been developed to monitor instances where an account's due date is less than</p>		

Rec Reference	Non-Compliance / Controls Improvement	Auditor's recommendations	Action taken by the licensee by the end of audit period
	<p>16 days from the date of issue.</p> <p>Our review of 10 sampled customer bills confirmed that the payment due dates are set for 14 days or more after the bill issue date.</p>		
12/2024	<p>Obligation 130A (B/2)</p> <p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(2)/ Water Services Code of Conduct (Customer Service Standards) 2024 Clause 33(2)</p> <p>During our review of 10 sampled customer calls involving hardship customers, we noted that in one (1) case, the customer was not informed of their right to pay the bill under an interest-free and fee-free payment plan or another arrangement that allows for an extended time to pay the bill or arrears as required under clause 30(2) of the Water Services Code of Conduct (Customer Service Standards) 2018.</p> <p>Additionally, the customer did not agree to a payment plan after the call.</p> <p>We noted that this instance of non-compliance occurred due to human error and oversight.</p>	<p>The Water Corporation should perform the following measures:</p> <ul style="list-style-type: none"> • Conduct periodic awareness training for team members. • Carry out periodic compliance reporting and perform spot checks on customer calls to ensure that payment plans are offered to customers. 	<p>The recommendation has not been addressed and will be incorporated into the Post Audit Implementation Plan for the 2024 Audit.</p>
13/2024	<p>Obligation 134A (B/2)</p> <p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 33(1)(d)-(e)/ Water Services Code of Conduct (Customer Service Standards) 2024 Clause 36(1)(d)-(e)</p> <p>During our review of 10 sampled customer complaints directly related to the water service charge, we noted that in one (1) case, recovery proceedings were initiated for</p>	<p>The Water Corporation should perform the following measures:</p> <ul style="list-style-type: none"> • Conduct periodic awareness training for team members. • Carry out periodic compliance reporting and perform spot checks on complaint customers to ensure that recovery proceedings are not started against those customers. <p>As a long-term consideration, the Water Corporation should implement system controls to ensure that recovery proceedings</p>	<p>The recommendation has not been addressed and will be incorporated into the Post Audit Implementation Plan for the 2024 Audit.</p>

Rec Reference	Non-Compliance / Controls Improvement	Auditor's recommendations	Action taken by the licensee by the end of audit period
	<p>a customer whose complaint was still pending resolution.</p> <p>We noted that this instance of non-compliance occurred due to human error and oversight.</p>	are not initiated against customers with pending complaints awaiting resolution.	
14/2024	<p>Obligation 137A (C/3)</p> <p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 36(1)/ Water Services Code of Conduct (Customer Service Standards) 2024 Clause 39(1)</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2023-24 as follows:</p> <ul style="list-style-type: none"> Reminder notices include overdue amounts shown as a single overdue total, which does not cover all details about the amount of the unpaid water service charge and the date on which it became due. Due to the Water Corporation's single ledger billing system, it is not possible to determine which prior bill a customer's unpaid amount relates to. In April 2024, , the Water Corporation analysed historical data on records of restriction notices and actual restrictions performed on properties, and noted that a system error had occurred in past, which resulted in 176 instances where properties were historically restricted without having been sent either a restriction notice (172 properties) or a reminder notice (4 properties). Three of these properties did not 	<p>The Water Corporation should implement the following measures:</p> <ul style="list-style-type: none"> Create periodic exception reports to identify cases where a reminder or restriction notice was not issued and prioritize cases where there is a possibility of non-compliance. Implement controls to ensure that the issuance of a reminder or restriction notice is verified before a work order for restrictions is issued. Provide periodic training for employees to ensure they are aware of the importance of issuing reminder and restriction notices. <p>As a long-term consideration, the Water Corporation should continue with the planned upgrade of the billing system to ensure that an adequate breakdown of overdue amounts is provided in the reminder notices.</p>	<p>The recommendation has not been addressed and will be incorporated into the Post Audit Implementation Plan for the 2024 Audit.</p>

Rec Reference	Non-Compliance / Controls Improvement	Auditor's recommendations	Action taken by the licensee by the end of audit period
	<p>receive either notice.</p> <p>Water Corporation advised in the Annual Compliance Report that a notice of pending in all cases, a notice of restriction card was physically left at the property at least one (1) week prior to the restriction occurring.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that in May 2024, a system fix was implemented, which ensures notices are sent when progressing bulk recovery actions. We also noted that an upgrade of the billing system is scheduled to occur in the future, which should address this issue in the long term.</p> <p>Our review of 10 sampled restricted customers confirmed that, in four (4) cases, the restriction/reminder notice was not provided to customers before the start of the water supply restriction.</p>		
15/2024	<p>Obligation 137B (C/2)</p> <p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 36(2)/ Water Services Code of Conduct (Customer Service Standards) 2024 Clause 39(2)</p> <p>The compliance obligation was non-compliant as in April 2024, the Water Corporation analysed historical data on records of restriction notices and actual restrictions performed on properties and noted that a system error had occurred in past, which resulted in 176 instances where properties were restricted without having been sent either a restriction notice</p>	<p>The Water Corporation should implement the following measures:</p> <ul style="list-style-type: none"> • Create periodic exception reports to identify cases where a reminder or restriction notice was not issued and prioritize cases where there is a possibility of non-compliance. • Implement controls to ensure that the issuance of a reminder or restriction notice is verified before a work order for restrictions is issued. • Provide periodic training for employees to ensure they are aware of the importance of issuing reminder and restriction 	<p>The recommendation has not been addressed and will be incorporated into the Post Audit Implementation Plan for the 2024 Audit.</p>

Rec Reference	Non-Compliance / Controls Improvement	Auditor's recommendations	Action taken by the licensee by the end of audit period
	<p>(172 properties) or a reminder notice (4 properties). Three of these properties did not receive either notice.</p> <p>However, we were informed that a notification card is always sent to the occupier's premises seven (7) days in advance to inform them about the restriction.</p> <p>The Water Corporation confirmed that in May 2024, a system fix was implemented, which ensures notices are sent when progressing bulk recovery actions. We also noted that an upgrade of the billing system is scheduled to occur in the future, which should address this issue in the long term.</p> <p>Our review of 10 sampled restricted customers confirmed, in four (4) cases, the restriction/reminder notice was not provided to customers before the start of the water supply restriction.</p>	<p>notices.</p> <p>As a long-term consideration, the Water Corporation should continue with the planned upgrade of the billing system to ensure that an adequate breakdown of overdue amounts is provided in the reminder notices.</p>	
16/2024	<p>Obligation 139 (B/2)</p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 39</i></p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2023-24.</p> <p>We understand that a Flow Control Device (FCD) is used for restricting the water supply for customers. The restriction is lifted after a maximum of 14 of days of applying restrictions. We were informed that previously, a 2.3 litre FCD was used for restricting customer accounts.</p> <p>The use of a 2.3 litre per</p>	<p>The Water Corporation should implement the following:</p> <ul style="list-style-type: none"> • Replace current 2.3 litre per minute FCD where it is used for restriction with 3.5 litre per minute FCD. • Use 3.5 litre per minute FCD for all future restrictions. 	<p>The recommendation is an ongoing process and will be incorporated into the Post Audit Implementation Plan for the 2024 Audit.</p>

Rec Reference	Non-Compliance / Controls Improvement	Auditor's recommendations	Action taken by the licensee by the end of audit period
	<p>minute flow control device (FCD) has been identified as potentially restricting the flow rate below the prescribed threshold of 2.3 litre per minute under certain pressure levels.</p> <p>This presents a potential risk for non-compliance if these devices are utilised in areas experiencing low water pressure at any given time within the supply network.</p> <p>We noted that the number of customers affected is unknown and difficult to ascertain. It is also challenging to determine whether a property being restricted is experiencing low pressure.</p> <p>The Water Corporation have determined that the use of a 3.5 litre per minute FCD is suitable for ensuring compliance with this obligation. The Water Corporation have commenced engagement with Stores and Procurement to ensure the FCDs are available. The Water Corporation is discontinuing the use of the 2.3-litre-per-minute FCD and will switch to the 3.5-litre-per-minute FCD once it is available in stores.</p>		
17/2024	<p>Obligation 144A (C/NR)</p> <p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 43(1)/ Water Services Code of Conduct (Customer Service Standards) 2024 Clause 46(1)</p> <p>A control deficiency against this compliance obligation was self-reported by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24. This is because, although the Maximo System is used to record planned outages, it lacks</p>	<p>The Water Corporation should implement system and/or manual controls to ensure that all planned outage information is recorded accurately and notifications are sent to affected customers in a timely manner.</p>	<p>The recommendation is an ongoing process and will be incorporated into the Post Audit Implementation Plan for the 2024 Audit.</p>

Rec Reference	Non-Compliance / Controls Improvement	Auditor's recommendations	Action taken by the licensee by the end of audit period
	<p>tracking of notifications sent to customers.</p> <p>We noted that the Water Corporation does not have the capability to track accurately whether and when notifications are delivered, resulting in no effective control to demonstrate compliance with the obligation.</p>		
18/2024	<p>Obligation 144B (C/NR)</p> <p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 43(2)/ Water Services Code of Conduct (Customer Service Standards) 2024 Clause 46(2)</p> <p>A control deficiency against this compliance obligation was self-reported by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24. This is because, although the Maximo System is used to record planned outages, it lacks tracking of notifications sent to customers 48 hours before the scheduled outage time.</p> <p>We noted that the Water Corporation does not have the capability to track accurately whether and when notifications are delivered, resulting in no effective control to demonstrate compliance with the obligation.</p>	<p>The Water Corporation should explore system or manual solutions to address limitations, enabling the recording of all planned outage information and ensuring notifications are sent to affected customers in a timely manner.</p>	<p>The recommendation is an ongoing process and will be incorporated into the Post Audit Implementation Plan for the 2024 Audit.</p>
019/2024	<p>Obligation 149A (B/3)</p> <p>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 47/ Water Services Code of Conduct (Customer Service Standards) 2024 Clause 50</p> <p>The Water Corporation self-reported non-compliance with the compliance obligation in</p>	<p>The Water Corporation should complete the development of its complaints operating model, including training packages.</p> <p>Additionally, the Water Corporation should provide training and awareness on a regular basis to increase employee awareness and reinforce the importance of providing necessary information to customers.</p>	<p>The recommendation is an ongoing process and will be incorporated into the Post Audit Implementation Plan for the 2024 Audit.</p>

Rec Reference	Non-Compliance / Controls Improvement	Auditor's recommendations	Action taken by the licensee by the end of audit period
	<p>the Annual Compliance Reports for 2022-2023 and 2023-2024. This was due to failures in providing the required information about the right to apply to the Water Services Ombudsman for a review of complaints and failing to provide a toll-free telephone number for the Water Services Ombudsman in 123 (10.11%) out of 1,217 complaint responses in 2022-2023, and in 94 (4.47%) out of 2,101 complaint responses in 2023-2024.</p> <p>We noted that this is primarily due to human error and oversight.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that to address this, the Water Corporation established a centralised Internal Dispute Resolution (IDR) function within the Customer Service Business Unit in 2022. The IDR team focuses on educating staff about complaint definitions and processes and uses non-compliances as a learning opportunity to prevent future issues. Actions taken include:</p> <ul style="list-style-type: none"> • Implementing a system enhancement to prompt staff to inform customers about the Ombudsman when closing complaints. • Introducing enhanced, regular reporting to detect potential breaches of this obligation. • Providing ongoing complaints management refresher training to all customer-facing staff. 		

Rec Reference	Non-Compliance / Controls Improvement	Auditor's recommendations	Action taken by the licensee by the end of audit period
	<p>We were informed that after the implementation of the aforementioned measures, the compliance rate significantly improved from 90.7% in 2021-2022 to 95.85% in 2023-2024.</p> <p>We further noted that, the Water Corporation is currently developing its complaints operating model, including training packages.</p> <p>Our review of 10 sampled complaints confirmed that the required information under clause 4 is now being provided to customers.</p>		
20/2024	<p>Obligation 190 (B/2) Water Services Act, 2012 Section 12</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report of 2023-24 due to some drainage failures because of heavy rainfall.</p> <p>The Water Corporation implemented actions to confirm the drains were cleared and commenced a detailed study to be completed by the end of 2024 to determine if there are broader capacity issues and/or upgrades required.</p>	<p>The Water Corporation should complete the capacity reviews and implement necessary upgrades. Additionally, the Water Corporation should also enhance the risk-based process of inspection/maintenance of the drainage system that is carried out as per the Asset Management Planning process before the heavy rainfall season to confirm that such incidents in future are minimised.</p>	<p>The recommendation is an ongoing process and will be incorporated into the Post Audit Implementation Plan for the 2024 Audit.</p>
21/2024	<p>Obligation 197 (B/2) Water Services Code of Practice (Family Violence) 2020 Clause 9</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24. This was due to the sensitive nature of calls related to family violence, which historically made it</p>	<p>The Water Corporation should explore Interactive Voice Response (IVR) system solutions that provide complaint information as required by Clause 9 before directing the call to the customer service centre. This will ensure that all necessary information is conveyed before a customer service executive answers the call.</p>	<p>The recommendation has not been addressed and will be incorporated into the Post Audit Implementation Plan for the 2024 Audit.</p>

Rec Reference	Non-Compliance / Controls Improvement	Auditor's recommendations	Action taken by the licensee by the end of audit period
	<p>inappropriate to notify customers about the complaints handling procedure at the time of first contact.</p> <p>In May 2024, the Water Corporation revised its scripting, updated its control documentation, and provided training to relevant staff to enable compliance with this obligation. However, it has been confirmed by the Water Corporation that it is not always possible to comply with this obligation due to sensitivity and confronting content of the calls received by the Water Corporation.</p> <p>We further noted that, the responsible staff may find it difficult to find an appropriate opportunity to inform customers about the Water Corporation's complaint's procedure.</p> <p>Our review of 15 sampled family violence customers' call recordings confirmed that complaint information was adequately provided to eight (8) out of 15 customers.</p>		

2.10 Limitations

We understand that a copy of this report will be provided to the ERA for the purpose of reporting on the Performance Audit for the Licence. We agree that a copy of this report may be provided to the Water Corporation for its information in connection with this purpose, but only on the basis that we accept no duty, liability, or responsibility to the Water Corporation in relation to the report. We accept no duty, responsibility, or liability to any party, other than the ERA, in connection with the report or this engagement.

Our engagement provides reasonable assurance as defined in ASAE 3100. Reasonable assurance means a high but not absolute level of assurance. There are inherent limitations in any assurance engagement, and these include the use of testing, the inherent limitations of any internal control structure, and the fact that most assurance evidence is persuasive rather than conclusive.

Hence, because of the inherent limitations of any compliance procedure, it is possible that fraud, error, or non-compliance may occur and not be detected. A reasonable assurance engagement is not designed to detect all instances of non-compliance, as the engagement is not performed continuously

throughout the period and the procedures performed in respect of compliance are undertaken on a test basis.

The conclusion expressed in this report has been formed on the above basis and the steps outlined in the Audit Plan. Any projection of the evaluation of the level of compliance in future periods is subject to the risk that the systems may become inadequate because of changes in conditions, or that the degree of compliance with management procedures may deteriorate.

3. Compliance Performance Overview

The following tables summarise the assessments made during the Audit of the Water Corporation's compliance and the adequacy of controls in place to manage compliance with the relevant obligations or conditions of the WL32.

Table 4 sets out the rating scale defined by the ERA in the ERA Audit Guidelines for the assessment of the level of compliance with the conditions of the WL32. For the highest possible compliance rating to be achieved, the Water Corporation was required to demonstrate it has maintained mature processes and controls over the Audit Period to facilitate compliance with the relevant obligations.

Table 4: Compliance and Controls Adequacy Rating Scale

Controls adequacy rating		Compliance rating	
Rating	Description	Rating	Description
A	Adequate controls - no improvement needed	1	Compliant
B	Generally adequate controls - improvement needed	2	Non-compliant - minor effect on customers or third parties
C	Inadequate controls - significant improvement required	3	Non-compliant - moderate effect on customers or third parties
D	No controls evident	4	Non-compliant - major effect on customers or third parties
N/P	Not performed - No activity took place to exercise this obligation during the Audit Period and hence, assessment of control adequacy was not performed	N/R	Not-rated - No activity took place during the Audit Period and hence, assessment of compliance was not performed

Table 5 summarises the assessments made through this Audit on the Water Corporation's compliance and the adequacy of controls in place to manage compliance with the obligations or conditions of the WL32.

Table 5: Compliance and Controls Rating Scale Summary

Controls rating	Compliance rating					
	1	2	3	4	N/R	Total
A	109	1	-	-	-	110
B	6	36	2	-	-	44
C	-	3	1	-	3	7
D	-	-	-	-	-	-
N/P	-	-	-	-	47	47
Total	115	40	3	-	50	208

Note: in accordance with the ERA Audit Guidelines, obligations assessed as being not applicable to the Water Corporation's operations have not been included within this report. These not applicable obligations comprise of the obligations provided within the approved Audit Plan.

Table 6 summarises specific assessments for each Licence obligation. The detailed findings, including relevant observations, recommendations and action plans have been presented in Section 4. Refer to Section 6 - Appendix A for further explanation of the Audit Priority (Priority) rating scale.

Table 6: Compliance and Controls Summary

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
1	Water Services Act, 2012 Section 21(1)(a)	Clause 4.3.1(a)	✓					2	✓				
2	Water Services Act, 2012 Section 21(1)(b)	Clause 4.3.1(b)	✓					4	✓				
3	Water Services Act, 2012 Section 21(1)(c)	Clauses 4.1.1	✓					4	✓				
4	Water Services Act, 2012 Section 22	Clause 4.4.1(a)					✓	4					✓
5	Water Services Act, 2012 Section 23	Clause 4.5.1	✓					4	✓				
6	Water Services Act, 2012 Section 24 (1)(a) & 24 (2)	Clause 5.1.1	✓					4	✓				
8	Water Services Act, 2012 Section 24(1)(c)	Clause 5.1.4	✓					4	✓				
9	Water Services Act, 2012 Section 25	Clause 5.3.1	✓					4	✓				

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
10	Water Services Act,2012 Section 26(3)	Clause 4.1.1		✓				2		✓			
13	Water Services Act,2012 Section 36	Clause 4.1.1					✓	4					✓
14	Water Services Act,2012 Section 60	Clause 6.3.1					✓	4					✓
15	Water Services Act,2012 Section 70(2)	Clause 6.2.1	✓					4	✓				
16	Water Services Act,2012 Section 77(3)	Clause 4.1.1	✓					4	✓				
17	Water Services Act,2012 Sections 82(4) & (5)	Clause 4.1.1		✓				2		✓			
18	Water Services Act,2012 Section 84(2)	Clause 4.1.1					✓	4					✓
19	Water Services Act,2012 Section 87(2)	Clause 4.1.1					✓	4					✓
20	Water Services Act,2012 Section 90(7)	Clause 4.1.1					✓	5					✓

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
21	Water Services Act,2012 Section 95(3)	Clause 4.1.1	✓					1	✓				
22	Water Services Act,2012 Section 96(1)	Clause 4.1.1	✓					4	✓				
23	Water Services Act,2012 Section 96(5)	Clause 4.1.1		✓				2		✓			
24	Water Services Act,2012 Section 98(3)	Clause 4.1.1					✓	4					✓
25	Water Services Act,2012 Section 106(2)	Clause 4.1.1	✓					4	✓				
26	Water Services Act,2012 Section 110(3)	Clause 4.1.1					✓	4					✓
27	Water Services Act,2012 Section 112(5)	Clause 4.1.1					✓	4					✓
28	Water Services Act,2012 Section 119(2)	Clause 4.1.1					✓	4					✓
29	Water Services Act,2012 Section 122(2)	Clause 4.1.1					✓	4					✓

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
30	Water Services Act,2012 Section 125(2)	Clause 4.1.1					✓	4					✓
31	Water Services Act,2012 Section 128(4)	Clause 4.1.1		✓				1		✓			
32	Water Services Act,2012 Section 129(5)	Clause 4.1.1		✓				4		✓			
33	Water Services Act,2012 Section 139(3)	Clause 4.1.1					✓	5					✓
34	Water Services Act,2012 Section 141(1)	Clause 4.1.1		✓				1			✓		
35	Water Services Act,2012 Sections 142	Clause 4.1.1	✓					4	✓				
36	Water Services Act,2012 Sections 143 (2)	Clause 4.1.1	✓					4	✓				
37	Water Services Act,2012 Sections 143 (3)	Clause 4.1.1	✓					4	✓				
38	Water Services Act,2012 Sections 144(3)	Clause 4.1.1					✓	4					✓

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
39	Water Services Act,2012 Section 145(2)	Clause 4.1.1					✓	4					✓
40	Water Services Act,2012 Section 147(3)	Clause 4.1.1					✓	4					✓
41	Water Services Act,2012 Section 147(4)	Clause 4.1.1					✓	4					✓
42	Water Services Act,2012 Section 151(1)	Clause 4.1.1	✓					4	✓				
43	Water Services Act,2012 Section 151(2)	Clause 4.1.1	✓					4	✓				
44	Water Services Act,2012 Section 152(3)	Clause 4.1.1					✓	4					✓
45	Water Services Act,2012 Section 153(3)	Clause 4.1.1					✓	4					✓
46	Water Services Act,2012 Section 166(5)	Clause 4.1.1					✓	4					✓
47	Water Services Act,2012 Section 166(6)	Clause 4.1.1					✓	4					✓

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
48	Water Services Act,2012 Section 170	Clause 4.1.1	✓					4	✓				
49	Water Services Act,2012 Section 173(4)	Clause 4.1.1	✓					4	✓				
50	Water Services Act,2012 Section 174(1)	Clause 4.1.1		✓				4		✓			
51	Water Services Act,2012 Section 174(3)	Clause 4.1.1		✓				4	✓				
52	Water Services Act,2012 Section 175(2)	Clause 4.1.1		✓				4	✓				
53	Water Services Act,2012 Section 175(5)	Clause 4.1.1			✓			2		✓			
54	Water Services Act,2012 Section 176(1)	Clause 4.1.1		✓				4	✓				
55	Water Services Act,2012 Section 176(3)	Clause 4.1.1		✓				4	✓				
56	Water Services Act,2012 Section 176(4)	Clause 4.1.1		✓				4	✓				

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
57	Water Services Act,2012 Section 181	Clause 4.1.1		✓				4	✓				
58	Water Services Act,2012 Section 186	Clause 4.1.1	✓					4	✓				
59	Water Services Act,2012 Section 187(1) - (3)	Clause 4.1.1	✓					4	✓				
60	Water Services Act,2012 Section 190(4)	Clause 4.1.1					✓	4					✓
61	Water Services Act,2012 Section 190(5)	Clause 4.1.1	✓					4	✓				
62	Water Services Act,2012 Section 210(5)	Clause 4.1.1	✓					4	✓				
63	Water Services Act,2012 Section 218(2)	Clause 4.1.1	✓					5	✓				
64	Water Services Act,2012 Section 218(3)	Clause 4.1.1	✓					4	✓				
66	Water Services Regulations 2013 Regulation 24(4)	Clause 4.1.1					✓	4					✓

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
67	Water Services Regulations 2013 Regulations 26(3)	Clause 4.1.1		✓				1		✓			
68	Water Services Regulations 2013 Regulation 26(5)	Clause 4.1.1	✓					4	✓				
69	Water Services Regulations 2013 Regulation 29(1)	Clause 4.1.1	✓					4	✓				
70	Water Services Regulations 2013 Regulation 42(2)	Clause 4.1.1					✓	4					✓
71	Water Services Regulations 2013 Regulation 43(3)	Clause 4.1.1					✓	4					✓
72	Water Services Regulations 2013 Regulation 43(6)	Clause 4.1.1					✓	4					✓
74	Water Services Regulations 2013 Regulation 60(2)	Clause 4.1.1	✓					4	✓				

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
75	Water Services Regulations 2013 Regulation 63	Clause 4.1.1	✓					4	✓				
76	Water Services Regulations 2013 Regulation 65(1)	Clause 4.1.1	✓					4	✓				
77	Water Services Regulations 2013 Regulation 65(2)	Clause 4.1.1	✓					4	✓				
78	Water Services Regulations 2013 Regulation 65(4)	Clause 4.1.1	✓					4	✓				
78A	Water Services Regulations 2013 Regulations 65(5) and 65(6)	Clause 4.1.1					✓	4					✓
79	Water Services Regulations 2013 Regulation 67	Clause 4.1.1	✓					4	✓				
80	Water Services Regulations 2013 Regulation 68(5)	Clause 4.1.1					✓	5					✓

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
81	Water Services Regulations 2013 Regulation 68(6)	Clause 4.1.1					✓	4					✓
82	Water Services Regulations 2013 Regulation 68(7)	Clause 4.1.1					✓	4					✓
83	Water Services Regulations 2013 Regulation 68(8)	Clause 4.1.1					✓	4					✓
84	Water Services Regulations 2013 Regulation 69(3)	Clause 4.1.1					✓	4					✓
85	Water Services Regulations 2013 Regulation 70(2)	Clause 4.1.1					✓	4					✓
86	Water Services Regulations 2013 Regulation 74(1)	Clause 4.1.1					✓	4					✓
87	Water Services Regulations 2013 Regulation 74(2)	Clause 4.1.1					✓	4					✓

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
88	Water Services Regulations 2013 Regulation 75(1)	Clause 4.1.1	✓					4	✓				
88A	Water Services Regulations 2013 Regulation 80H	Clause 4.1.1	✓					4	✓				
89	Water Services Regulations 2013 Regulation 85	Clause 4.1.1					✓	4					✓
90	Water Services Regulations 2013 Regulation 86(6)	Clause 4.1.1	✓					4	✓				
91	Water Services Regulations 2013 Regulation 86(9)	Clause 4.1.1	✓					4	✓				
92	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 8(1) - (3)	Clause 4.1.1	✓					4	✓				

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
93	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 9(2) and (4)	Clause 4.1.1		✓				2		✓			
94	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 10(2)	Clause 4.1.1		✓				4		✓			
95	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 11(2)	Clause 4.1.1		✓				2		✓			
96	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 11(3)	Clause 4.1.1	✓					4	✓				
97	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 11(4)	Clause 4.1.1	✓					4	✓				

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
98	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 11(5)	Clause 4.1.1	✓					4	✓				
98A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 11(6)	Clause 4.1.1		✓				2		✓			
99	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 12	Clause 4.1.1		✓				1		✓			
100	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 13(1)	Clause 4.1.1	✓					4	✓				
100 A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 13(3)	Clause 4.1.1		✓				2		✓			

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
101	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 13(4)	Clause 4.1.1		✓				1		✓			
101 A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 13(5)	Clause 4.1.1	✓					2	✓				
102 A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 13(6)	Clause 4.1.1	✓					4	✓				
103	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 14(1)	Clause 4.1.1	✓					4	✓				
104	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 14(2)	Clause 4.1.1	✓					4	✓				

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
104 A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 15(3)	Clause 4.1.1		✓				1		✓			
105	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 16(1)	Clause 4.1.1	✓					4	✓				
106	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 17(2) & (3)	Clause 4.1.1	✓					4	✓				
107	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 18(2)	Clause 4.1.1	✓					4	✓				
108	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 18(3)	Clause 4.1.1		✓				4		✓			

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
109	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 18(4)	Clause 4.1.1		✓				2		✓			
110	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 18(5)	Clause 4.1.1					✓	4					✓
111 A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 19(2)	Clause 4.1.1		✓				1		✓			
112 A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 19(3)	Clause 4.1.1	✓					4	✓				
112 B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 19(4)	Clause 4.1.1	✓					4	✓				

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
112 C	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 19(5)	Clause 4.1.1	✓					4	✓				
113	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 20(1)	Clause 4.1.1	✓					4	✓				
114	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 20(2)	Clause 4.1.1	✓					4	✓				
115	Water Services Code of Conduct (Customer Service Standards) 2018 Clauses 20(3) & (6)	Clause 4.1.1		✓				4		✓			
116	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 20(4)	Clause 4.1.1		✓				4		✓			

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
117	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 20(5)	Clause 4.1.1			✓			2		✓			
117 A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 21	Clause 4.1.1		✓				1		✓			
118	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 23	Clause 4.1.1		✓				2		✓			
119	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 24(1)	Clause 4.1.1	✓					4	✓				
120	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 24(2)	Clause 4.1.1	✓					4	✓				

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
121	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 25(1)	Clause 4.1.1	✓					4	✓				
122	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 26(1)	Clause 4.1.1	✓					4	✓				
123	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 27	Clause 4.1.1	✓					4	✓				
124 A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 28(2)	Clause 4.1.1	✓					2	✓				
124 B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 28(3)	Clause 4.1.1	✓					2	✓				

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
124 C	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 28(4)	Clause 4.1.1	✓					2	✓				
125	Water Services Code of Conduct (Customer Service Standards) 2018 Clauses 29(1) & (2)	Clauses 4.1.1 and Schedule 3, clause 1.1.1	✓					4	✓				
126 A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(3)	Clause 4.1.1	✓					4	✓				
126 B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(4)	Clause 4.1.1	✓					4	✓				
128	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(6)	Clause 4.1.1	✓					4	✓				

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
129 A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(7)	Clause 4.1.1	✓					4	✓				
129 B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(8)	Clause 4.1.1					✓	4					✓
129 C	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(9)	Clause 4.1.1	✓					4	✓				
130 A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(2)	Clause 4.1.1		✓				2		✓			
130 B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(3)	Clause 4.1.1	✓					2	✓				

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
131 A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(4)(a)	Clause 4.1.1	✓					2	✓				
131 B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(4)(b)	Clause 4.1.1	✓					2	✓				
131 C	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(4)(c)	Clause 4.1.1	✓					2	✓				
133	Water Services Code of Conduct (Customer Service Standards) 2018 Clauses 31(4) & (5)	Clause 4.1.1	✓					4	✓				
133 A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 32	Clause 4.1.1	✓					2		✓			

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
134	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 33(1)(a)-(c)	Clause 4.1.1	✓					2	✓				
134 A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 33(1)(d)-(e)	Clause 4.1.1		✓				2		✓			
135	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 40(1)	Clause 4.1.1	✓					2	✓				
136	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 40(2)	Clause 4.1.1	✓					2	✓				
137 A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 36(1)	Clause 4.1.1			✓			4			✓		

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
137 B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 36(2)	Clause 4.1.1			✓			4		✓			
137 C	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 36(3)	Clause 4.1.1		✓				1		✓			
138	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 37(1)(a)-(e) & (h).	Clause 4.1.1	✓					2	✓				
138 A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 37(1)(f)-(g)	Clause 4.1.1	✓					2	✓				
138 B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 38	Clause 4.1.1		✓				2		✓			

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
139	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 39	Clause 4.1.1		✓				4		✓			
140	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 41(2)	Clause 4.1.1		✓				2		✓			
141	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 41(3)	Clause 4.1.1		✓				2		✓			
143	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 41(5)	Clause 4.1.1	✓					4	✓				
144 A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 43(1)	Clause 4.1.1			✓			2					✓

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
144 B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 43(2)	Clause 4.1.1			✓			2					✓
144 C	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 44(1)	Clause 4.1.1	✓					4	✓				
144 D	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 44(2)	Clause 4.1.1	✓					4	✓				
144 E	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 45	Clause 4.1.1		✓				2		✓			
145	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(1)	Clause 4.1.1	✓					4	✓				

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
146	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(2)	Clause 4.1.1	✓					4	✓				
147	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(3)	Clause 4.1.1	✓					4	✓				
148 A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(4)	Clause 4.1.1	✓					4	✓				
149	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(5)	Clause 4.1.1	✓					4	✓				
149 A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 47	Clause 4.1.1		✓				2			✓		

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
150	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 48(1)	Clause 4.1.1	✓					4	✓				
152	Water Services Code of Conduct (Customer Service Standards) 2013 Clause 48(2)	Clause 4.1.1	✓					4	✓				
153	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 49(1)	Clause 4.1.1		✓				2		✓			
154	Water Services Code of Conduct (Customer Service Standards) 2013 Clause 49(2)	Clause 4.1.1		✓				1		✓			
154 A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 49(3)	Clause 4.1.1	✓					4	✓				

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
154 B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 51(1) & (3)	Clause 4.1.1	✓					4	✓				
154 C	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 52	Clause 4.1.1	✓					1	✓				
154 D	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 53	Clause 4.1.1			✓			4					✓
155	Water Services Act, 2012 Section 12	Clause 4.2.1	✓					4	✓				
159	Water Services Act, 2012 Section 12	Clause 4.1.2					✓	4					✓
160	Water Services Act, 2012 Section 12	Clause 4.6.1	✓					2	✓				
161	Water Services Act, 2012 Section 12	Clause 5.2.1					✓	2					✓
162	Water Services Act, 2012 Section 12	Clause 5.3.4	✓					4	✓				

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
163	Water Services Act, 2012 Section 12	Clauses 4.7.1(a), (b), (c)					✓	4					✓
165	Water Services Act, 2012 Section 12	Clause 4.8.1	✓					4	✓				
167	Water Services Act, 2012 Section 12	Clause 4.8.2		✓				2		✓			
168	Water Services Act, 2012 Section 12	Clauses 3.8.1 and 3.8.2					✓	4					✓
169	Water Services Act, 2012 Section 12	Clause 3.7.1	✓					4	✓				
171	Water Services Act, 2012 Section 12	Clause 5.1.3					✓	4					✓
172	Water Services Act, 2012 Section 12	Clause 5.1.7	✓					4	✓				
172 A	Water Services Act, 2012 Section 12	Clause 6.1.1					✓	4					✓
172 B	Water Services Act, 2012 Section 12	Clause 6.1.2					✓	4					✓
181	Water Services Act, 2012 Section 12	Clause 6.3.1					✓	4					✓
182	Water Services Act, 2012 Section 12	Clause 4.4.1(b)					✓	4					✓

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
184	Water Services Act, 2012 Section 12	Clause 7.1.1	✓					5	✓				
184 A	Water Services Act, 2012 Section 12	Clause 7.1.2	✓					5	✓				
184 B	Water Services Act, 2012 Section 12	Clause 7.1.3	✓					5	✓				
185	Water Services Act, 2012 Section 12	Clause 7.1.4	✓					2	✓				
186	Water Services Act, 2012 Section 12	Clause 7.1.5	✓					4	✓				
187	Water Services Act, 2012 Section 12	Clause 7.1.6	✓					4	✓				
188	Water Services Act, 2012 Section 12	Clause 7.1.7	✓					4	✓				
189	Water Services Act, 2012 Section 12	Clause 7.1.8	✓					4	✓				
190	Water Services Act, 2012 Section 12	Schedule 2		✓				2		✓			
191	Water Services Code of Practice (Family Violence) 2020 Clause 5(1)	Clause 4.1.1		✓				2		✓			

No.	Relevant acts and code	Licence obligation	Controls adequacy					Priority	Compliance rating				
			A	B	C	D	N/P		1	2	3	4	N/R
193	Water Services Code of Practice (Family Violence) 2020 Clause 6	Clause 4.1.1	✓					4	✓				
194	Water Services Code of Practice (Family Violence) 2020 Clause 7	Clause 4.1.1	✓					4	✓				
195	Water Services Code of Practice (Family Violence) 2020 Clause 8(1)	Clause 4.1.1	✓					4	✓				
197	Water Services Code of Practice (Family Violence) 2020 Clause 9	Clause 4.1.1		✓				1		✓			
198	Water Services Code of Practice (Family Violence) 2020 Clause 10	Clause 4.1.1	✓					4	✓				

4. Previous Audit Non-compliances and Recommendations

The following tables summarises the implementation status of the previous Performance Audit non-compliances and recommendations.

Table 7: Previous Audit Non-compliance Implementation Summary

Rec. ref #	Non-compliance / controls improvement	Recommendation	Date resolved	Further action required / detail of further action
01/2022	Non-compliance rating: B2 Compliance Obligation: 31 Details: Contrary to the requirement, we noted that a Memorial withdrawal was performed by the customer rather than by the Water Corporation.	We recommend the Water Corporation re-align its business process with regulatory requirements by lodging the withdrawal instead of requiring the customer to lodge the withdrawal.	01/2023	No
02/2022	Non-compliance rating: B2 Compliance Obligation: 34 Details: We reviewed the Break the Road Register and noted 62 breaches were recorded in planned work. We also reviewed the prior period Audit recommendation which requires a system solution to prevent creation of a work order unless the 48 hours' notice has been recorded and stored in the system.	The Water Corporation should: <ul style="list-style-type: none"> – Develop a system generated notification embedding a control to ensure the prescribed timeframe is met; and – Implement a system control in Maximo to prevent work from commencing until the notification has been registered on the system and 48 hours have elapsed since the notice was sent. 	No	Yes Refer to 04/2024.
03/2022	Non-compliance rating: B2 Compliance Obligation: 67 Details: The procedure documents and work instructions have not been approved by the CEO as required by the regulations.	We recommend the Water Corporation review the following documents to reflect the requirement of Regulation 26(3), where the CEO must approve the procedure: <ul style="list-style-type: none"> – Asset Monitoring & Systems Investigations AMSI-P-120 Meter Testing and Reporting. – Asset Monitoring & System Investigations 	No	Yes Refer to 07/2024.

Rec. ref #	Non-compliance / controls improvement	Recommendation	Date resolved	Further action required / detail of further action
		AMSI-P-004 Authority to maintain documentation for testing water meters. – Asset Monitoring & System Investigations AMSI-W-128 Customer Dispute Meter Test.		
04/2022	Non-compliance rating: B2 Compliance Obligation: 98A Details: Through sample testing, we identified 718 instances where the Water Corporation did not issue a bill for usage based on a meter reading once in every 12-month period.	We recommend that the Water Corporation develop a strategy to ensure a meter reading is obtained at least once in every 12 months.	No	Yes Refer to 08/2024.
05/2022	Non-compliance rating: B2 Compliance Obligation: 100A Details: Through sample testing, we noted instances where the bill showed one (1) service charge for two (2) separate water services attached to an account.	We recommend that the Water Corporation develop an IT solution and update the billing template to separate the charges when two (2) or more water services are provided to a property.	12/2023	No
06/2022	Non-compliance rating: B2 Compliance Obligation: 101 Details: We noted that the farmland properties with multiple meters did not have the service charges for each water service (Desalinated and Saline) rather the meters were grouped into one overall charge. We further noted the information in previous billing period and corresponding billing period in the previous year were not displayed for each type of service.	We recommend that the Water Corporation develop an IT solution and update the billing template to include the previous billing period information and the corresponding billing period in the previous year.	05/2023	No
07/2022	Non-compliance rating: B3 Compliance Obligation: 104A Details: Through the examination of the bills,	The Water Corporation should implement interim measures to ensure the bill reflects the day on which the customer's	N/A	No. The Water Corporation is expected to be compliant with

Rec. ref #	Non-compliance / controls improvement	Recommendation	Date resolved	Further action required / detail of further action
	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 traffic”. The bills refer to the “month” (not the day) on which the tariff will be reset. Additionally, the bill does not show how much more water the customer can be supplied with before supply starts to be in the next volumetric range, and the tariff for the next volumetric range.	next consumption year starts; and the prescribed information; how much more water the customer can be supplied with before supply starts to be in the next volumetric range; and the tariff for the next volumetric range.		the Water Services Code of Conduct (Customer Service Standards) 2024 applicable from 1 July 2024.
08/2022	Non-compliance rating: B2 Compliance Obligation: 109 Details: Through sample testing, we noted that three (3) accounts had accrued interest or late payment fees on those undercharged amounts.	We recommend that the Water Corporation: – Develop data analytics procedures to detect interest or late payments charged in undercharged amounts. – Develop a system solution that restricts charging interest on undercharged amounts.	N/A	No. The Water Corporation is expected to be compliant with the Water Services Code of Conduct (Customer Service Standards) 2024 applicable from 1 July 2024.
09/2022	Non-compliance rating: C2 Compliance Obligation: 111A Details: The Water Corporation reported a breach of this obligation in the 2020-21 Annual Report to the ERA. The breach related to an overcharge caused by a billing error that affected 1,528 properties. Further analysis found the number of affected properties to be 1,833. Our Audit identified five (5) overcharged accounts not notified within the timeframe of 15 business days, which had not been identified by the Water Corporation. At the date of the Audit, the Water Corporation had not credited the overcharged amount to the	We recommend that the Water Corporation: 1. Inform affected customers immediately of the overcharge. 2. Investigate to identify other potentially affected customers and calculate and reimburse the amount of the overcharge. 3. Test the relevant Grange system billing rule periodically to ensure compliance with regulatory requirements. 4. Use data analytics to detect exceptions to the regulatory requirements.	No	Yes Refer to 09/2024.

Rec. ref #	Non-compliance / controls improvement	Recommendation	Date resolved	Further action required / detail of further action
	customer's account or communicated the matter with the client within the required 15 business days of becoming aware of the overcharge.			
10/2022	Non-compliance rating: B2 Compliance Obligation: 117 Details: In 11 instances, customers were not informed of the outcome of review of their bills within 15-business days as required by the Water Services Code of Conduct.	We recommend that the Water Corporation: – Provide further training to relevant staff on the requirements to inform the customer within 15 business days. – Formulate a compliance strategy and action plan to ensure the customer is informed of the outcome of a review of the customer's bill within 15 business days.	No	Yes Refer to 10/2024.
11/2022	Non-compliance rating: B2 Compliance Obligation: 117A Details: We randomly sampled a total of 20 bills based on Quantity Charge and Fixed Charge, Quantity Charge and Fixed Charge. We found that 16 out of 20 sampled bills had not complied with notifying the customer about the change to rate of water service charge.	We recommend that the Water Corporation reviews the billing template to ensure that customers are notified of any change to the amount or rate of water service.	04/2024	No
12/2022	Non-compliance rating: B2 Compliance Obligation: 118 Details: Through sample testing, we noted three (3) instances which did not comply with the timeframe set for the payment of a bill, which is after 14 days from when the bill is issued.	We recommend that the Water Corporation review the root cause of the instances identified and implement appropriate system control to ensure the time set for the payment of a bill must be after 14 days from when the bill is issued.	12/2023	No
13/2022	Non-compliance rating: A2 Compliance Obligation: 133A Details: Through sample testing, we noted	We recommend the Water Corporation periodically test the Grange system rule; and perform data analytics to	12/2023	No

Rec. ref #	Non-compliance / controls improvement	Recommendation	Date resolved	Further action required / detail of further action
	three (3) customers, who had been assessed as being in financial hardship, had been charged interest.	detect instances of interests being charged on accounts under financial hardship.		
14/2022	Non-compliance rating: B2 Compliance Obligation: 134 Details: The Water Corporation continued proceedings to recover a debt from a customer experiencing financial hardship.	We recommend that the Water Corporation implement appropriate preventative controls to ensure that debt recovery actions are not initiated against customers who are experiencing financial hardship or have been assessed for payment difficulties.	11/2021	No
15/2022	Non-compliance rating: B2 Compliance Obligation: 137C Details: The Audit identified clause 36(3)(c) has not been met as the Water Corporation's restriction notice provides a wrong link to the licensee's complaint's procedure.	We recommend that the Water Corporation ensure the notice includes specific reference to information about the existence and operation of the complaint procedure.	02/2023	No
16/2022	Non-compliance rating: B2 Compliance Obligation: 138B Details: The Audit identified a water supply was restricted after 3 pm on a given day.	We recommend that the Water Corporation: <ul style="list-style-type: none"> – Provide further training to relevant staff on the requirement of water supply restriction parameters. – Continue to regularly monitor and report on the restriction requirement. 	09/2023	No
17/2022	Non-compliance rating: B2 Compliance Obligation: 140 Details: The Audit identified the Water Corporation did not restore a water supply to land in the metropolitan region within the specified timeframe.	We recommend that the Water Corporation: <ul style="list-style-type: none"> – Provide further training to relevant staff on the restoration timeframe requirement. – Continue to regularly monitor and report on the restoration timeframe requirement. 	03/2023	No

Rec. ref #	Non-compliance / controls improvement	Recommendation	Date resolved	Further action required / detail of further action
18/2022	Non-compliance rating: B2 Compliance Obligation: 141 Details: The Audit identified the Water Corporation did not restore a water supply outside the metropolitan region within the specified timeframe.	We recommend that the Water Corporation: – Provide further training to relevant staff on the water supply restoration timeframe requirement. – Continue to regularly monitor and report on the restoration timeframe requirement.	03/2023	No
19/2022	Non-compliance rating: C-N/R Compliance Obligation: 144A Details: We reviewed the Water Corporation outage management system and found that the system allows the plan to be recorded for less than 48 hours. Moreover, the system does not contain the detail of customer which would be essential in identifying the notice period provided to the customer. As there were no effective controls, there is no mechanism to demonstrate compliance with the obligation.	We recommend that the Water Corporation upgrade its plan outage system along with appropriate control mechanism to track the delivery of the notifications.	No	Yes Refer to 17/2024.
20/2022	Non-compliance rating: C N/R Compliance Obligation: 144B Details: Refer to Obligation 144 A	Refer to Obligation 144 A	No	Yes Refer to 18/2024.
21/2022	Non-compliance rating: B2 Compliance Obligation: 149A Details: The Audit identified the Water Corporation did not inform the customer that the customer has a right to apply to the water services Ombudsman for a review of the complaint.	We recommend that the Water Corporation provide further training to relevant staff to inform the customer that the customer has the right to apply to the Water Services Ombudsman for a review of the complaint, and provide a Free call telephone number for the water services Ombudsman, and the requirement and	No	Yes Refer to 19/2024.

Rec. ref #	Non-compliance / controls improvement	Recommendation	Date resolved	Further action required / detail of further action
		continue to regularly monitor and report on the restoration benchmark.		
22/2022	Non-compliance rating: B2 Compliance Obligation: 153 Details: We reviewed the Water Corporation website and did not find the information publicly available as mentioned in Clause 49(1)(h) where the Water Corporation may restrict supply if the customer does not accept an offer of a payment plan within 7 days.	We recommend the Water Corporation includes the information as mentioned in Clause 49(1)(h) on its website.	08/2024	No.
23/2022	Non-compliance rating: B2 Compliance Obligation: 154 Details: The Water Corporation's website did not provide information in relation to customer's right to request a meter test, testing charges and reimbursement, and estimated reads information did not state the customer's rights to request a meter reading.	We recommend that the Water Corporation ensure internal stakeholders, such as Information Technology and relevant business units, collaborate when updating the Water Corporation's website to reflect the required regulatory information.	03/2023	No
24/2022	Non-compliance rating: B2 Compliance Obligation: 191 Details: We reviewed the Water Corporation Family Violence Policy and noted that five (5) conditions mentioned in the Water Services Code of Practice were not incorporated into the Water Corporation policy. The conditions not incorporated were 5(1)(b), (c), (d), (e), (g).	We recommend that the Water Corporation review its Family Violence Policy to include the following information: – Information to customers on external services through which the customers can receive support; – Process to identify accounts of customers affected by family violence without requiring customers to repeat the details of the issue; – Process by which	08/2024	No

Rec. ref #	Non-compliance / controls improvement	Recommendation	Date resolved	Further action required / detail of further action
		information provided by customers regarding family violence is protected; and – Process by which payment difficulties are addressed in circumstances of financial hardship.		
25/2022	Non-compliance rating: B2 Compliance Obligation: 197 Details: We noted that, the Water Corporation do not provide information on the customer complaints process in their first interaction when a customer discloses domestic violence.	We recommend that the Water Corporation implement an integrated approach to the complaint training process focussing on matter relating to the family violence in particular informing the customer of the existence and operation of the Water Corporation's complaints procedure.	No	Yes Refer to 21/2024.

5. Detailed findings and recommendations

Obligation no.	Obligation reference	Obligation description	Observation and findings		
1	Water Services Act, 2012 Section 21(1)(a) Clause 4.3.1(a)	The licensee must provide a water service authorised by the licence to persons entitled to the service under the Act, except to the extent otherwise provided for by the Act.	Priority: 2	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Senior Advisor - Business Management and a review of the operating area maps:</p> <ul style="list-style-type: none"> • OWR-OA-309 - Potable and Non-Potable Water Supply (Sewerage and Drainage services) - Effective April 2016; • OWR-OA-175(E) - Irrigation Services (Ord River Operating Area) - Updated December 2013; • OWR-OA-175-1(B) - Irrigation Services (Ord River (Kununurra) Operating Area) - Updated December 2013. <p>We noted that the Water Corporation provides water services as entitled under the Water Services Act, 2012, with a licence covering potable and non-potable water supply, sewerage, drainage, and irrigation services. Services are provided in areas detailed in the maps and are subject to <i>"Standard and agreement with terms and conditions"</i>.</p> <p>As confirmed through interviews with the Senior Advisor - Business Management and a review of the <i>"Reasons for Rejection Report - 1 July 2022 to 30 June 2024"</i>, we noted that the Water Corporation had not rejected any entitled applicants for water services.</p> <p>We noted that the Development Services team may reject applications if applicants fail to meet terms, provide inaccurate details, or refuse service agreements. Applications can also be cancelled by the customer, the Water Corporation, or due to non-payment, with customers being informed and reasons documented.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
2	Water Services Act, 2012 Section 21(1)(b) Clause 4.3.1(b)	The licensee must if requested, offer to provide the water service authorised by the licence to any other person (not covered by section 21(1)(a) of the Act) within the operating area of the licence on reasonable terms, unless provision of the service is not financially viable or is otherwise not practicable.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Senior Advisor Business Management and a review of the "S380 Water Services by Agreement", it was noted that the Water Corporation provides water services to persons not covered by section 21(1)(a), who are within the operating area of the licence and who meet the eligibility criteria as set out in the S380 Water Services by Agreement and the Water Corporation Agreement. We noted that applicants who require a service that falls outside the scope of the operating licence may still receive such a service by submitting an "Application for a Non-Standard Service" and adhering to the terms of the agreement with the Water Corporation.</p> <p>Upon review of one (1) sample water service application submitted by a customer, we noted that the Water Corporation has provided water services to a person not covered by section 21(1)(a) of the Act.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
3	Water Services Act, 2012 Section 21(1)(c) Clauses 4.1.1	The licensee must provide, operate and maintain the water service works specified by the ERA in the licence for the purposes of section 11(3).	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Operations Compliance, we noted that the Water Corporation has established systems, policies, and processes to ensure the provision, operation, and maintenance of water service works as specified by the ERA in line with licence requirements. This includes various policies and procedures, compliance summaries, system checks, dashboards and periodic reporting.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
4	Water Services Act, 2012 Section 22	The licensee must notify the ERA as soon as practicable before	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			Through interviews with the Senior Advisor Business Management and a review of the operating area maps, we noted that the current operating area for the Water Corporation covers the entire state of		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
	Clause 4.4.1(a)	commencing to provide the water service outside of the operating area of the licence.	<p>Western Australia for potable, non-potable, and irrigation water services as below:</p> <ul style="list-style-type: none"> • OWR-OA-309 - Potable and Non-Potable Water Supply (Sewerage and Drainage services) - Eff. April 2016; • OWR-OA-175(E) - Irrigation Services (Ord River Operating Area) - Updated December 2013; and • OWR-OA-175-1(B) - Irrigation Services (Ord River (Kununurra) Operating Area) - Updated December 2013. <p>The Water Corporation has entered into a Service Delivery Agreement (SDA) with the Commonwealth Government to provide only maintenance services (not water services) on the Cocos (Keeling) Islands and Christmas Island.</p> <p>As per confirmation with the Senior Advisor - Business Management and a review of the "ERA Correspondence Register", it was determined that during the audit period, the Water Corporation has not started providing services to any additional areas apart from above for which notification to the ERA is required.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
5	Water Services Act, 2012 Section 23 Clause 4.5.1	All water service works used by the licensee in the provision of water service must be held by the licensee or must be covered by a works holding arrangement.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Operations Compliance, we noted that where work holding arrangements are in place, the Head of Integrated Operations directs the Manager Operations Compliance to initiate the compliance confirmation process for Section 23 annually, in May or June, as follows:</p> <ul style="list-style-type: none"> • The Manager Operations Compliance sends an email to all Regional Managers and relevant Business Unit Heads, requesting confirmation of compliance with Section 23; • If any issues or questions arise regarding Section 23, the Manager Operations Compliance provides clarification to ensure a clear understanding and to facilitate the receipt of compliance confirmations by the set deadline; • Upon receiving responses, the Manager Operations Compliance compiles them and discusses any outstanding issues with the Head of Integrated Operations; and 		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<ul style="list-style-type: none"> Finally, the Manager Operations Compliance reports the outcome of the compliance confirmation process to Risk & Assurance. <p>Upon review of the confirmation emails sent in May 2024 and examining one (1) work holding agreement, we noted that all Regional Managers confirmed compliance. It was noted that work holding agreements were established where necessary, and no instances of non-compliance were reported.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
6	Water Services Act, 2012 Section 24 (1)(a) & 24 (2) Clause 5.1.1	The licensee must provide for an asset management system in respect of the licensee's water service works.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Asset Management System and Risk and a review of the "Asset Management System Manual," we noted that the Water Corporation has an Asset Management System (AMS) in place that aligns with three major asset management frameworks:</p> <ul style="list-style-type: none"> The Institute of Asset Management's (IAM) 6 box model; ISO 55001; and The ERA's AMS requirements. <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
8	Water Services Act, 2012 Section 24(1)(c) Clause 5.1.4	A licensee must provide the ERA with a report by an independent expert as to the effectiveness of its asset management system every 24 months, or such longer	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy and Compliance and a review of the previous Asset Management System Reports, we confirmed that the last review was conducted as prescribed for the period from 1 July 2018 to 30 June 2021.</p> <p>The Water Corporation maintains 48-month frequency for review for the last Asset Management System Report of 2021 (AMSR), with the next review due in September 2025.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		period as determined by the ERA.	Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.		
9	Water Services Act, 2012 Section 25 Clause 5.3.1	A licensee must, not less than once every 24 months, or such longer period as determined by the ERA, provide the ERA with an Operational Audit conducted by an independent expert appointed by the ERA.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Regulations and Compliance and a review of the previous 2022 Operational Audit report, we confirmed that the Operational Audit was conducted as prescribed and published on the ERA's website for the period from 1 July 2020 to 30 June 2022.</p> <p>For the period from 1 July 2022 to 30 June 2024, the ERA has approved Ernst and Young (EY) as the auditors.</p> <p>The Water Corporation has also created the "<i>Operational Audit Work Instruction</i>", detailing the preparation steps for the audit. It also has a "<i>Summary of Water Services Licence Requirements and Documents</i>" that outlines licence duties, responsible departments and related key documents.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
10	Water Services Act, 2012 Section 26(3) Clause 4.1.1	The licensee must comply with each code of practice made by the Minister to the extent to which it applies to the licensee.	Priority: 2	Control adequacy: B	Compliance rating: 2
			<p>Through interviews and confirmation with the Manager Regulations and Compliance, we noted that no changes to the code of practice were made by the Minister during the audit period.</p> <p>On 9 December 2020, the Minister established a Code of Practice - the Code of Practice (Family Violence) - applicable to the Water Corporation. This Code is listed as Obligations 191 to 198 in the ERA's Water Compliance Reporting Manual. Compliance with these obligations is tested under the corresponding license obligations. For details of the non-compliance issues identified, please refer to Obligations 191 and 198. Recommendations have been made under the individual license obligations where non-compliance has been identified.</p> <p>Since Obligations 191 and 197 are marked as non-compliant items, this obligation is considered non-</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			compliant during the audit period, with general improvements required, resulting in a minor impact on customers or third parties.		
13	Water Services Act, 2012 Section 36 Clause 4.1.1	If the licensee ceases to provide a water service in an area, the licensee must ensure that the water service works are left in a safe condition and must not remove any part of the works except with the approval of the Minister.	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Manager Operations Compliance and a review of the guidelines "<i>Decommissioning & Disposal of Assets Guidelines</i>," we noted that the Water Corporation does not undertake the removal of water service assets from an area.</p> <p>Should such a removal be considered necessary, the decision would be made by the Asset Planning team and approval from the Minister would be sought.</p> <p>However, as per confirmation with the Manager Operations Compliance, it was determined that during the audit period, the Water Corporation has not ceased water services in any area.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
14	Water Services Act, 2012 Section 60 Clause 6.3.1	If the licensee is the supplier of last resort for a designated area in relation to the provision of a particular water service, the licensee must perform the functions of the supplier of last resort and must comply with the relevant duties and carry out the relevant operations prescribed.	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Manager Regulations and Compliance and a review of the work instruction "<i>Supplier of Last Resort Work Instruction</i>", we noted that the ERA can appoint a supplier of last resort to a Water Service Licensee if an existing licensee fails to supply customers as per its licence requirements or if an existing supplier does not exist.</p> <p>However, as per confirmation with the Manager Regulations and Compliance and a review of the "<i>ERA Correspondence Register</i>" it was determined that during the audit period, the Water Corporation was not appointed as a supplier of last resort by the ERA.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
15	Water Services Act, 2012 Section 70(2) Clause 6.2.1	The licensee must not supply water services to customers unless the licensee: > is a member of the water services Ombudsman scheme; and > is bound by the scheme; and > will comply with any decision or direction of the water services Ombudsman under the scheme.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and reviewing the "Service Provider Contacts" section on the "Energy and Water Ombudsman Western Australia (EWOWA)" website (https://energyandwater.Ombudsman.wa.gov.au/service-providers/service-provider-contacts), we confirmed that the Water Corporation is a member of and is bound by the Water Services Ombudsman Scheme Ombudsman.</p> <p>We were informed by the Manager Policy and Compliance that there were no mandatory directions issued by the EWOWA during the audit period.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
16	Water Services Act, 2012 Section 77(3)	The licensee must take reasonable steps to minimise the extent or duration of any interruption of water services it is responsible for.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Operations Compliance and a review of the position paper "<i>PP045 Minimising Water Service Disruption to Customers</i>," we noted that the Water Corporation recognises the importance of minimising both the extent and duration of service disruptions for its customers and is committed to taking all reasonable measures to ensure that any interruptions and their impacts on customers are kept to the absolute minimum.</p> <p>To achieve this, the Water Corporation conducts preventive maintenance activities aimed at reducing the frequency of unplanned outages affecting customers. However, in the event of unplanned outages, the Water Corporation is committed to making all reasonable efforts to minimise service interruptions and mitigate the impact on customers.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>For unplanned outages, the Water Corporation adopts the following measures:</p> <ul style="list-style-type: none"> • Prioritise fault work as higher than normal operations and maintenance to respond in a timely manner. The Water Corporation also monitors and reports response time performance. • Documents contingency plans and conducts exercises to test them to prepare for these events and ensure they can be as planned as reasonably practicable. • For major outage events, the Water Corporation manages them as incidents, and upon their conclusion, it reviews the lessons learned and applies them to processes to be better prepared in the future. • During an outage event, the Water Corporation keeps impacted customers informed. • Fault data is used to assist in decisions made for asset replacement and changes to preventative work priorities. <p>In terms of planned outages:</p> <ul style="list-style-type: none"> • The Water Corporation endeavours to notify impacted customers as a minimum 48 hours prior to the outage. • Where possible, planned work is scheduled to be conducted off-peak to minimise customer impacts. <p>Upon review of KPI reports, we noted that performance in managing the duration and extent of water service interruptions is being monitored.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
17	Water Services Act, 2012 Sections 82(4) & (5)	If a person must give the licensee notice of any building work to be carried out on land in the operating area of a license, the licensee	Priority: 2	Control adequacy: B	Compliance rating: 2
			<p>Through interviews with the Senior Advisor - Business Management and a review of the "<i>Building Services - Additions Application</i>" work instructions, we noted that the instructions outline the necessary sequence of actions to effectively respond to tasks involved in processing an additions/alterations application. The instructions detail steps related to the following:</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings
		<p>must return a copy of the plans and specifications contained in the notice with any written directions about the proposed building work that the licensee considers necessary to ensure the safety and efficacy of the provision of water services provided, or to be provided. The licensee must do this within 7 days of receiving the fee for dealing with the notification.</p> <p>Note: This obligation does not apply to Bunbury Water Corporation or Busselton Water Corporation (see regulation 28 of the Water Services Regulations 2013).</p>	<ul style="list-style-type: none"> • Receiving a building application. • Assessing and processing additions/alterations application; and • Fees and charges. <p>The instructions also include a note stating, <i>"Under Sections 82(4) & (5) of the Water Services Act, 2012, a copy of the plans and specifications with any written directions about the proposed construction, alteration, or demolition, and any related plumbing, MUST be returned within seven (7) calendar days AFTER the day the payment relating to the notification has been received."</i></p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2022-23, where 25 (approximately 0.15%) out of 15,972 applications did not receive building approvals within seven (7) days of the receipt of payment.</p> <p>The non-compliance resulted from an error in the automated process using BuilderNet. It was identified that an IT issue (system failure) in March 2023 caused the failure to send approvals. It has been confirmed that there is a manual process in place for sending approvals to customers who have contacted the Water Corporation to advise that they have not received them.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that the system issue identified in March 2023 has been resolved. Additionally, further controls, such as weekly reporting to identify any approval emails that have failed to send automatically to customers, have been implemented. However, we have been informed that the weekly report does not currently capture all the outstanding building approval requests that have not been resolved within seven (7) days. There have been no instances of non-compliance with this obligation in the 2023-24 period.</p> <p>Upon review of 10 sampled customer building requests, we noted that all were approved within seven (7) days of receipt of payment.</p> <p>Based on interviews and a review of the documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>

Obligation no.	Obligation reference	Obligation description	Observation and findings		
18	Water Services Act, 2012 Section 84(2)	If the licensee has given a notice under section 83(3)(a) of the Act, and the licensee is satisfied that the person given the notice is not going to comply with the notice within a reasonable time, the licensee must give the person 21 days' notice of its intention to commence the works.	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Senior Advisor - Business Management, we understand that the Water Corporation had no activities under Section 84(2) (providing a 21-day notice of its intention to commence with the works) as it did not request proponents, applicants or the owner of land to provide information about water supply, sewerage or drainage works relating to the development or subdivision of land through a notice.</p> <p>Instead, the Water Corporation uses Section 84(3) of the Water Services Act, 2012, and enters into agreements with the proponents, applicants or the owner of land prior to the approval of a development or building work. This ensures that the person complies with the necessary development and building requirements.</p> <p>Upon review of the "<i>Developers Manual</i>" on the Water Corporation website, we noted that the Water Corporation employs agreements for subdivisions and additional water service works. Following conditional approval from the Western Australian Planning Commission (WAPC), an invitation letter is issued to the applicant, offering the Water Corporation's services and to commence the agreement preparation process.</p> <p>The terms and conditions of the agreement stipulate that if the applicant does not fulfil their obligations, the Water Corporation will not provide clearance or become the service provider.</p> <p>As there had been no activities under Section 82(2), a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
19	Water Services Act, 2012 Section 87(2)	If a person makes an application with the State Administrative Tribunal for a review of a decision in respect of	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Senior Advisor - Business Management, we noted that Section 87(2) states that a person can make an application with the State Administrative Tribunal for a review of a decision in respect of the licensee providing additional water services when a person has not responded to the</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		the licensee providing additional water services when a person has not responded to the licensee's notice, the licensee cannot provide the works until the application has been finally dealt with, except in limited circumstances.	<p>licensee's notice.</p> <p>In this regard, the Water Corporation had no activities under Section 87(2) as they are only using the agreement process as described in Section 84(3) of the Water Services Act,2012.</p> <p>If the Development Services team issues a notice under Section 83(3)(a) of the Water Services Act 2012 in the future, they will follow the compliance notice process as described in the Water Corporation's Issuing Compliance Notices work instruction.</p> <p>Currently, no notices are issued, and therefore, there were no instances of notices being referred to the State Administrative Tribunal during the period under review.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
20	Water Services Act,2012 Section 90(7)	If the licensee gives a compliance notice to a person who is undertaking construction or carrying out similar works in the vicinity of water service works, the licensee must, to the extent practicable, consult with the owner of the land on which the obstruction is located or the activity is taking place if the person to be given the notice is not	Priority: 5	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Manager Reliability and Capability and a review of the work instruction "OAM - Compliance Notice for Breach of S90 WSA," we noted that Compliance Officers may identify breaches and gather evidence thereof at a property during field visits.</p> <p>Issuing compliance notices is the final step in the Water Corporation's compliance process. Initially, other means such as customer contact via site visits, phone calls, letters, or emails are used to resolve the issue. If these actions do not resolve the matter, a compliance notice is issued.</p> <p>Upon confirming with the Manager Reliability and Capability and reviewing the "MR - WSA Compliance-Breach of S90 Compliance Notice Register," we noted that no compliance notices were issued for S90 violations.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		the owner of the land.			
21	Water Services Act Section 95(3)	The licensee cannot cut off the supply of water to an occupied dwelling unless the occupier agrees to that.	Priority: 1	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance, a review of the work instruction “<i>Standard Work Instruction - CC0061 - Service Water Disconnect</i>”; and the Water Corporation's website article on “<i>Relocating or Disconnecting Your Meter</i>” (https://www.watercorporation.com.au/Help-and-advice/Water-issues/Your-water-meter/Relocating-or-disconnecting-your-meter), we noted that the Water Corporation does not disconnect water supply to an occupied dwelling.</p> <p>Upon review of 15 sampled water supply disconnections, we confirmed that seven (7) of the lots whose water supply was disconnected were already vacant, four (4) properties were not dwellings, two (2) lots had temporary services that were not the main water supply to a dwelling, and two (2) were disconnections for fire services, which were also not the main water supply.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
22	Water Services Act, 2012 Section 96(1)	If the licensee provides water supply reticulation works, or enters into an agreement for the provision of water supply reticulation works, the licensee must install fire hydrants attached to those works in accordance with the	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Senior Advisor - Business Management and a review of the “<i>Developers Manual</i>” on the Water Corporation website (https://www.watercorporation.com.au/Developing-and-building/Subdividing/Applications-and-submissions/Land-development-submissions#/form/59379d3e980718126ce57f4a), we noted that the Water Corporation utilises agreements for subdivisions and additional water service works.</p> <p>Following conditional approval from the Western Australian Planning Commission (WAPC), the Water Corporation issues an invitation letter to the applicant to commence the agreement preparation process and offer its services.</p> <p>The “<i>Design Standard DS 63</i>” must be adhered to for the installation of water supply reticulation works and</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		requirements of FESA, or the relevant local government as to the location and type of hydrant.	<p>fire hydrants in accordance with the requirements of FESA or the relevant local government regarding the location and type of hydrant. Submissions made by Design Engineers are assessed against "<i>Design Standard DS 63</i>," and only compliant designs are approved. Post-construction, the Water Corporation's Asset team conducts inspections to ensure that the completed work aligns with the approved DS 63 compliant plans.</p> <p>Upon review of one (1) "as-constructed" plan for a sample project, we noted all required fire hydrants were included in line with the approved plan. The site inspection sheet also confirmed that a Water Corporation inspector had physically verified the installation of the fire hydrants.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
23	Water Services Act, 2012 Section 96(5)	The licensee must comply with requests made by FESA or a local government under sections 96(3) and 96(4) of the Act to the extent practicable and within a reasonable time.	Priority: 2	Control adequacy: B	Compliance rating: 2
			<p>Through interviews with the Manager Operations Compliance and a review of the "<i>2021 MoU between DFES and the Water Corporation</i>", we noted that the hydrant work requests are categorised into three (3) categories with defined completion targets as follows:</p> <p>1) High Priority Requests</p> <ul style="list-style-type: none"> 85% must be completed within 20 working days; 95% of the remaining high priority work requests (not completed within the initial period) must be completed within the following 20 working days; and No high priority work requests should remain open beyond 12 months. <p>2) Standard Priority Requests</p> <ul style="list-style-type: none"> 75% must be completed within 40 working days; 95% of the remaining standard priority work requests (not completed within the initial period) must be completed within the following 20 working days; and No standard priority work requests should remain open beyond 12 months. 		

Obligation no.	Obligation reference	Obligation description	Observation and findings
			<p>3) Low Priority Requests</p> <ul style="list-style-type: none"> All low priority requests are to be completed within 12 months. <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24 due to the delayed completion of hydrant requests as detailed below:</p> <ul style="list-style-type: none"> In 2022-23, five (5) out of 401 (1.24%) low priority requests for the installation of hydrants were not completed within the required one (1) year timeframe as specified by the <i>"2021 MoU between DFES and the Water Corporation."</i> In 2023-24, four (4) out of 300 (1.34%) low priority requests for the installation of hydrants were not completed within the required one (1) year timeframe as specified by the <i>"2021 MoU between DFES and the Water Corporation."</i> <p>The non-compliance was attributed to resourcing constraints and challenges in accessing the network to undertake maintenance. The scheduling process across all regions also impacted the ability to complete low priority hydrant installations within the defined timeframe. It was noted that the completion of pending on-site hydrant installations has been prioritised.</p> <p>Additionally, it was noted that outstanding requests are reviewed through a monthly report, and dedicated personnel are employed for monitoring and oversight to ensure the completion of low priority requests within the defined timeframe.</p> <p>Upon review of the monitoring reports for hydrant requests, we noted that the installation of hydrants for high and medium priorities was completed in accordance with the targets defined in the <i>"2021 MoU between DFES and the Water Corporation."</i></p> <p>Based on interviews and a review of documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>

Obligation no.	Obligation reference	Obligation description	Observation and findings		
24	Water Services Act, 2012 Section 98(3)	If required to by the Minister, the licensee must connect a wastewater inlet on land to the sewerage works of the licensee.	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Senior Advisor - Business Management, we confirmed that to date, there have been no instances where the Minister has requested or required the Water Corporation to connect properties to the sewer system.</p> <p>However, if such a request is made:</p> <ul style="list-style-type: none"> The Water Corporation would promptly address the directive as urgently instructed by the Minister. Any Ministerial notice instructing the Water Corporation to connect a wastewater inlet on land to the sewerage works would be sent directly to the Chief Executive Officer, logged in the Nexus system (which is used for logging requests), and then forwarded to the Development Services team for action. <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
25	Water Services Act, 2012 Section 106(2)	The licensee must include the information specified in a compliance notice given in relation to failure to maintain fittings, fixtures and pipes.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Specialist - Business Performance & Assurance (Operations Services) and a review of the work instruction "<i>Trade Waste WI 5-2-3 - How to issue a FOGMan non-compliance notice</i>," we noted that non-compliance notices are a prerequisite for the Water Corporation to legally prosecute or take alternative actions against a customer for non-compliance related to a breach of the specific terms and conditions of a trade waste permit.</p> <p>When issuing compliance notices, the Water Corporation includes essential information as required under section 106(2), such as:</p> <ul style="list-style-type: none"> • The specific section of the Water Services Act, 2012 that has been violated; • The nature of the non-compliance; • The corrective actions required to comply with the notice; • The deadline for compliance as stipulated in the notice. <p>The issuing of compliance notices is not the first step in the compliance process. They are employed after other methods, such as direct customer contact, letters, or emails, have failed to result in compliance or an agreed resolution.</p> <p>Upon review of one (1) notice of compliance issued to a non-complying customer, we noted that information as specified by section 106(2) of the Water Service Act, 2012 was included.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
26	Water Services Act, 2012 Section 110(3)	If required to by the Minister, the licensee must connect a drainage asset on land to the drainage works	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Team Leader - Drainage, we confirmed that to date, there have been no instances where the Minister has requested or required the Water Corporation to connect a drainage asset on land to the drainage works.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		of the licensee.	<p>However, if such a request is made:</p> <ul style="list-style-type: none"> The Water Corporation would promptly address the directive as urgently instructed by the Minister. Any Ministerial notice instructing the Water Corporation to connect a drainage asset on land to the drainage works would be sent directly to the Chief Executive Officer, logged in the Nexus system, and then forwarded to the Operations teams for action. <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
27	Water Services Act, 2012 Section 112(5)	If required by the Minister, the licensee must modify the property drainage connection.	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Team Leader - Drainage, we confirmed that to date, there have been no instances where the Minister has requested or required the Water Corporation to modify a drainage asset on land to the drainage works.</p> <p>However, if such a request is made:</p> <ul style="list-style-type: none"> The Water Corporation would promptly address the directive as urgently instructed by the Minister. Any "Ministerial" notice instructing the Water Corporation to modify a drainage asset on land to the drainage works would be sent directly to the Chief Executive Officer, logged in the Nexus system, and then forwarded to the Operations teams for action. <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
28	Water Services Act, 2012 Section 119(2)	The licensee must include the information specified in a compliance notice given in relation to the matters set out in section 119(1).	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Manager Operations Compliance and a review of the framework "Compliance Notice Process Framework," we noted that the use of compliance notices is the last step in the Water Corporation's compliance process. Initially, other means such as customer contact via site visits, phone calls, letters, or emails are used to resolve the issue. If these actions do not resolve the matter, a compliance notice is issued.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>The framework document includes a template non-compliance notice for breaches of sections 82(6), 82(7), 88(1), 89(1), 89(2), 91(1), 93(1), 94(1), 99(1), 111(1), and 112(1) of the Water Services Act, 2012.</p> <p>Upon review of the template, we confirmed that all required information as per section 119(1) is included. As confirmed by the Manager Operations Compliance, we noted that no compliance notices were issued.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
29	Water Services Act, 2012 Section 122(2)	If a person makes an application to the State Administrative Tribunal under section 122(1), the licensee cannot take, or continue to take, action against the person except in the circumstances specified.	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Manager Legal Services and a review of the "SAT Referral Register," we noted that the Water Corporation does not take or continue to take action against a person after that person has referred a matter to the State Administrative Tribunal (SAT).</p> <p>The "Compliance Notice Process Framework" specifies that the Water Corporation will postpone any actions until the SAT has concluded the case, except if:</p> <ul style="list-style-type: none"> the SAT directs otherwise; urgent action is required to prevent harmful wastewater discharge; or there is an immediate threat necessitating swift action to protect people, property, or the environment. <p>As confirmed by the Manager Legal Services, no claims were submitted to the SAT during the audit period.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
30	Water Services Act, 2012 Section 125(2)	If the licensee provides a water supply, sewerage or drainage service to 2 or more dwellings on land by a single property	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Manager Policy & Compliance, we noted that when a service is supplied to multiple dwellings on a property with separate meters, each dwelling is billed based on its Gross Rental Value (GRV). Additionally, if tenants are not designated to receive bills and there is only one (1) meter, the charges are not divided and are billed to the property owner.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		connection, the licensee may apportion fees. The licensee cannot apportion fees to the extent inconsistent with any agreement related to such a provision of services, or section 66 of the Strata Titles Act 1985.	<p>Staff involved in this process are trained and adhere to the Water Corporation's process documents. Team Leaders from the Billing Services & Solutions department conduct a Quality Assurance program to ensure billing accuracy.</p> <p>As confirmed by the Manager Policy & Compliance, we noted that no requests for the apportioning of fees were received by the Water Corporation.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
31	Water Services Act, 2012 Section 128(4)	If the licensee has previously lodged a Memorial with the Registrar, the licensee must lodge a withdrawal of Memorial with Registrar along with the prescribed fee (if any) if the charge or contribution has been paid.	Priority: 1	Control adequacy: B	Compliance rating: 2
			<p>Through interviews with the Manager Policy & Compliance and a review of the page in the "Guru livepro - Memorial & Caveat" system, we noted that it contains the process to be followed for withdrawing a Memorial for a fully paid debt.</p> <p>A monthly report is generated listing all the properties with Memorials where the recovery status has progressed to 'Fully Paid'. This report includes properties with outstanding service or water charges. The Officer reviews each property note in the Grange system to confirm whether the final amount due was paid and the Memorial was withdrawn.</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2022-23, following its identification as non-compliant in the prior 2022 ERA Operational Audit. Memorials are typically removed when the debt is paid, either during the property settlement, when it is sold or when the customer clears the debt. The Water Corporation lodges a Memorial withdrawal application with Landgate once the debt amount is received either directly from the customer or from the settlement agent.</p> <p>One (1) instance of non-compliance was identified during the 2022 Operational Audit, where the</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>withdrawal of the Memorial was performed by the customer after they had cleared the debt (outside of a property settlement). Additionally, during the current Audit period, it was noted that in two (2) out of 38 cases, Memorials were not withdrawn by Water Corporation but were initiated by the customer. We noted that all these cases relate to Memorial withdrawals before January 2023.</p> <p>This non-compliance occurred because the process had not been updated for cases where a customer clears a debt outside of a property settlement.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that they have implemented a new process in January 2023 to ensure compliance by lodging the withdrawal and paying the prescribed fee, instead of requiring the customer to do so in instances outside of a settlement.</p> <p>Further, feedback and training have been provided to staff involved in this process, and a work instruction has been developed to ensure the process aligns with regulatory requirements. We noted no further non-compliance following the implementation of the new process.</p> <p>Upon review of 15 sampled events of Memorial withdrawals (apart from the self-reported instances), it was confirmed that in all cases, the withdrawal of Memorials was initiated by the Water Corporation with the payment of the prescribed fees.</p> <p>Based on interviews and a review of documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>		
32	Water Services Act, 2012 Section 129(5)	If a routine inspection or maintenance is likely to cause disruption to the occupants of a place at least 48 hours' notice of a proposed entry must be given to	Priority: 4	Control adequacy: B	Compliance rating: 2
			<p>Through interviews with the Manager Operations Compliance and a review of the procedure "<i>Procedure for Entry onto Private Property</i>", we noted the Water Corporation issues written notices to occupiers 48 hours before starting planned work when required, especially if the work adversely affects the property owners. The notices detail the purpose, description, estimated duration, and start date and time of the work.</p> <p>Upon review of 10 sampled notices, we noted that in three (3) cases, a notice was issued only two days</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		the occupier of the place unless the occupier agrees otherwise.	<p>before the proposed entry. This indicates that the required notification was not provided to the occupier at least 48 hours prior to the proposed entry, as specified by the obligation.</p> <p>Additionally, we noted that the system lacks a timestamp feature to verify that notices are provided at least 48 hours in advance.</p> <p>Based on interviews and a review of documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>		
33	Water Services Act, 2012 Section 139(3)	If the licensee removes or erects a fence or gate when exercising a works power conferred by the Act, the licensee must take all reasonable steps to notify the owner before doing so.	Priority: 5	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Team Leader Best Practice and a review of the manual "<i>External Approvals for Engineering Infrastructure</i>," we noted that before removing, making a gate in, or erecting any fence, the Water Corporation is required to take all reasonable steps to notify the owner and occupier of the land.</p> <p>The Water Corporation has implemented a template cover letter, "<i>PMBU Website Document - PTW1 cover letter regarding the intention to alter a fence - Template_7993</i>," to ensure that details of the alterations can be communicated in writing to the owner and occupier of the land.</p> <p>As confirmed by the Team Leader Best Practice, there were no instances where the Water Corporation removed or erected a fence or gate when exercising works power conferred by the Act and notified the owner before doing so.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
34	Water Services Act, 2012 Section 141(1)	A person authorised by the licensee may enter a road and exercise a works power of the licensee without consent, notice or	Priority: 1	Control adequacy: B	Compliance rating: 3
			<p>Through interviews with the Manager Operations Compliance and a review of the "<i>Breaking the Road Surface Notification</i>" process document, we noted the Water Corporation has a process for notifying public authorities when the Water Corporation:</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		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.	<ul style="list-style-type: none"> Plans work that may break assets of the road owner (e.g., the road surface, footpath, kerbing etc) or may cause a major obstruction of the road and disruption to traffic; and Has conducted emergency work that requires reinstatement of the road owners' assets. <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report of 2022-23 and 2023-24, as the Water Corporation failed to provide 48 hours' notice to the road owner when it undertook works in the road reserve that broke the surface of the road:</p> <ul style="list-style-type: none"> 2022-23: 15 instances (0.51%) out of 2,956 road break events were non-compliant during the FY 2022-23 reporting period; and 2023-24: 19 instances (0.38%) out of 4,958 road break events were non-compliant during the FY 2023-24 reporting period. <p>The non-compliance was due to human error and oversight in not sending the notice at least 48 hours in advance.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that the notice was provided to the authority in all cases. Additionally, the Water Corporation has implemented periodic targeted awareness sessions with those involved across all the licence obligations for which they are responsible.</p> <p>Upon review of 15 sampled notices, we noted that notices for road break events were provided to the Authority before 48 hours as required under the obligation.</p> <p>Based on interviews and a review of documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a moderate impact on customers or third parties.</p>		
35	Water Services Act, 2012 Sections 142	The licensee must comply with sections 143 and 144 of the Act in relation to the	Priority: 4	Control adequacy: A	Compliance rating: 1
			Through interviews with the Team Leader of Best Practices and a review of controls for obligation numbers 36 and 37, we noted that the Water Corporation has complied with sections 143 and 144 of the Act.		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		proposed major works and has given any notice required by section 148.	<p>Upon review of controls for obligation numbers 38 to 41, we noted that no objections were received by the Water Corporation for major works; therefore, compliance testing of this section 143 and 144 of the Act could not be performed.</p> <p>Based on these observations, it is assessed that the Water Corporation has complied with this obligation during the audit period.</p>		
36	Water Services Act, 2012 Sections 143 (2)	Before the licensee submits a proposal for the provision of major works to the Minister, the licensee must prepare, publish and make available plans and details of those major works as specified.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Team Leader Best Practice and a review of the manual "<i>External Approvals for Engineering Infrastructure</i>," we noted that the manual refers to the "<i>Major Works Checklist</i>" to ensure all prerequisites for work obligations are met.</p> <p>Upon review of the checklist "<i>C-W03524 PTW10 Major Works Checklist</i>", we noted that the checklist stipulates that the Notice of Proposal for Major Work must be published on the Water Corporation's website before seeking authorisation from the Minister for Water.</p> <p>Upon review of one (1) sample of a major work project, we noted that the Water Corporation prepared, published, and made available plans and details of the major work project as specified in section 143(2).</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
37	Water Services Act, 2012 Sections 143 (3)	The licensee must, within 5 days of publishing the plans and details on the licensee's website, give notice setting out the matters prescribed in section 143(4) to the persons and agencies specified.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Team Leader Best Practice and a review of the manual "<i>External Approvals for Engineering Infrastructure</i>," we noted that the manual refers to the "<i>Major Works Checklist</i>" to ensure all prerequisites for work obligations are met.</p> <p>The checklist "<i>C-W03524 PTW10 Major Works Checklist</i>" confirms that the next step after uploading a notice of proposal to the website is to post or give notice of the proposal to all affected landowners, occupiers, Local Council, and WAPC (where appropriate) within five (5) days of website publication, using a template letter that has been embedded in the checklist.</p> <p>Upon review of one (1) sample of a major work project, we noted that the Water Corporation emailed notices of proposals with details of the major work project as specified in section 143(4) of the Act to all affected parties, local authorities, and WAPC within 5 days of the plan being uploaded on the website.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
38	Water Services Act, 2012 Sections 144(3)	The licensee must have regard to an objection or submission lodged within the relevant period.	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Team Leader Best Practice and a review of the manual "<i>External Approvals for Engineering Infrastructure</i>," we noted that the manual refers to the "<i>Major Works Checklist</i>" to ensure all prerequisites for work obligations are met.</p> <p>Upon review of the checklist "<i>C-W03524 PTW10 Major Works Checklist</i>", we noted that the process allows for objections to be submitted for up to 35 days after the publication is uploaded to the website.</p> <p>Upon review of one (1) sample notice of proposal that was published and sent to affected parties, we noted that it includes information stating that, as a prerequisite to the works process, impacted stakeholders have 35 days to object or provide comments on the proposed works.</p> <p>As confirmed by the Team Leader Best Practice, we noted that there were no objections received from</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>affected parties to proposed projects during the audit period.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
39	Water Services Act, 2012 Section 145(2)	If the licensee makes alterations to the plans or details referred to in section 143(2), the licensee must give written notice of the alterations to any person who is likely to be adversely affected by those alterations.	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Team Leader Best Practice and a review of the manual "<i>External Approvals for Engineering Infrastructure</i>," we noted that the manual refers to the "<i>Major Works Checklist</i>" to ensure all prerequisites for work obligations are met.</p> <p>Upon review of the checklist "<i>C-W03524 PTW10 Major Works Checklist</i>", we noted that the process requires amendments to be made where objections that may necessitate changes to proposed works are received and advises that notifications be sent out to anyone adversely affected by the amendment.</p> <p>As confirmed by the Team Leader Best Practice, we noted that no objections were received from affected parties to the proposed projects and no alternations to the plans were implemented.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
40	Water Services Act, 2012 Section 147(3)	The licensee must comply with a direction given by a Minister in respect of a proposal to provide water service works that are major works under section 143(3).	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Team Leader Best Practice and a review of the manual "<i>External Approvals for Engineering Infrastructure</i>," we noted that the manual refers to the "<i>Major Works Checklist</i>" to ensure all prerequisites for work obligations are met.</p> <p>The checklist "<i>C-W03524 PTW10 Major Works Checklist</i>" confirms that the process requires submissions to be prepared and submitted for Ministerial approval after all external approvals have been obtained on proposed major works.</p> <p>Upon review of one (1) sample of a major work project, we noted that the proposal was submitted for the Minister's approval and was approved without any additional directives received. Additionally, as confirmed by the Team Leader Best Practice, we noted that all major projects submitted for the Minister's approval</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>were approved as is without further directives being received.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
41	Water Services Act, 2012 Section 147(4)	If the Minister gives a direction that further notices in relation to the proposed major works be given under section 143(3), the licensee must resubmit the proposal.	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Team Leader Best Practice and a review of the manual "<i>External Approvals for Engineering Infrastructure</i>," we noted that the manual refers to the "<i>Major Works Checklist</i>" to ensure all prerequisites for work obligations are met.</p> <p>Upon review of the "<i>C-W03524 PTW10 Major Works Checklist</i>", we noted that the process mandates the incorporation of any directions from the Minister into the proposed works. Additionally, it requires the reinitiation of the Notice of Proposal process to notify all affected parties of the changes.</p> <p>As per confirmed by the Team Leader Best Practice, we noted that no directions were received from the Minister during the audit period, and therefore no proposal were required to be resubmitted.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
42	Water Services Act, 2012 Section 151(1)	A licensee proposing to provide water service works that are general works must prepare plans and details of the proposed works and publish and make them available for inspection.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Team Leader Best Practice and a review of the manual "<i>External Approvals for Engineering Infrastructure</i>," we noted that the manual refers to the "<i>General Works Checklist</i>" to ensure all prerequisites for work obligations are met.</p> <p>The checklist "<i>PTW11 General Works Checklist</i>" confirms that the Notice of Proposal for general work must be published on the Water Corporation's website before seeking external approvals.</p> <p>Upon review of one (1) sample of a general work project, we noted that the Water Corporation prepared, published, and made available plans and details of the general works project as specified in section 151(1).</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
43	Water Services Act, 2012 Section 151(2)	The licensee must give a notice of general works setting out the matters referred to in section 151(3) to the persons and agencies specified.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Team Leader Best Practice and a review of the manual "<i>External Approvals for Engineering Infrastructure</i>," we noted that the manual refers to the "<i>General Works Checklist</i>" to ensure all prerequisites for work obligations are met.</p> <p>The checklist "<i>PTW11 General Works Checklist</i>" confirms that the next step after uploading a notice of proposal to the website is to post or give notice of the proposal to all affected landowners, occupiers, Local Council, and WAPC (where appropriate) within 5 days of website publication, using a template letter that has been embedded in the checklist.</p> <p>Upon review of one (1) sample of a works project, we confirmed that the Water Corporation emailed notices of the proposal with details of the general work project as specified in section 151(3) to all affected parties within five (5) days of the plan being uploaded on the website.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
44	Water Services Act, 2012 Section 152(3)	The licensee must have regard to an objection or submission lodged by the date specified in the notice given under section 151(2).	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Team Leader Best Practice and a review of the manual "<i>External Approvals for Engineering Infrastructure</i>," we noted that the manual refers to the "<i>General Works Checklist</i>" to ensure all prerequisites for work obligations are met.</p> <p>The checklist "<i>PTW11 General Works Checklist</i>" confirms that the process allows for objections to be submitted for up to 21 days after the notice of proposals has been communicated to relevant stakeholders.</p> <p>Upon review of one (1) sample notice of proposal that was published and sent to affected parties, we noted that it includes information stating that, as a prerequisite to the works process, impacted stakeholders have 21 days to object or provide comments on the proposed works.</p> <p>However, as confirmed by the Team Leader Best Practice, we noted that no objections were received from</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>affected parties to proposed projects during the audit period.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
45	Water Services Act, 2012 Section 153(3)	If the licensee makes alteration to those plans or details referred to in section 151, the licensee must give written notice of the alterations to any person who is likely to be adversely affected by those alterations.	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Team Leader Best Practice and a review of the manual "<i>External Approvals for Engineering Infrastructure</i>," we noted that the manual refers to the "<i>General Works Checklist</i>" to ensure all prerequisites for work obligations are met.</p> <p>Upon review of the checklist "<i>PTW11 General Works Checklist</i>", we noted that the process requires amendments to be made where objections that may necessitate changes to proposed works are received and advises that notifications be sent out to anyone adversely affected by the amendment.</p> <p>As confirmed by the Team Leader Best Practice, we noted that no objections were received from affected parties to proposed projects during the audit period and no amendments were necessitated.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
46	Water Services Act, 2012 Section 166(5)	On being advised by the Minister that an interest in land is appropriate to the licensee's needs, the licensee is required to acquire the interest.	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Specialist Property Portfolio and a review of the policy "<i>PCY023 Real Estate Management</i>," we noted that the Water Corporation acquires, manages, and disposes of land and property as required by operational needs, statutory obligations, and strategic direction with costs borne by the Water Corporation.</p> <p>As confirmed by the Team Leader Best Practice, we noted that no directions to acquire land were received from the Minister.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
47	Water Services	Any costs incurred in	Priority: 4	Control adequacy: N/P	Compliance rating: N/R

Obligation no.	Obligation reference	Obligation description	Observation and findings		
	Act,2012 Section 166(6)	taking an interest in land are to be paid by the licensee.	<p>Through interviews with the Specialist Property Portfolio and a review of the policy "<i>PCY023 Real Estate Management</i>," we noted that the Water Corporation acquires, manages, and disposes of land and property as required by operational needs, statutory obligations, and strategic direction, with costs borne by the Water Corporation.</p> <p>As confirmed by the Team Leader Best Practice, we noted that no directions to acquire land were received from the Minister. However, should such direction be received, the land is acquired at the cost of the Water Corporation.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
48	Water Services Act,2012 Section 170	The licensee must not sell an interest in land if the purchaser would hold a parcel of land that did not comply with the minimum lot size and zoning requirements under the Planning and Development Act 2005, unless the Minister permits the licensee to do so.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Specialist Property Portfolio and a review of policy "<i>PCY023 Real Estate Management Policy</i>," we noted that the Procurement and Property Business Unit is responsible for acquiring, managing, and disposing of land and property in accordance with the Water Corporation's operational needs, statutory obligations, and strategic direction.</p> <p>The Water Corporation sold nine (9) interests in land during the audit period, out of which one (1) transaction did not comply with the minimum lot size and zoning requirements under the Planning and Development Act 2005.</p> <p>Upon review of available Ministerial approvals and memos, we noted appropriate approvals from the Minister were obtained before the disposal of the non-complying land.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
49	Water Services Act,2012 Section 173(4)	In relation to entry to a place for the purposes of doing works, in the circumstances specified	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Operations Compliance and a review of the procedure "<i>Procedure for Entry onto Private Property</i>," we noted the Water Corporation issues written notices to occupiers 48 hours</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		the licensee is required to give 48 hours' notice of proposed entry to a place to the occupier or owner, as applicable, unless the occupier or owner agrees otherwise.	<p>before starting planned work for all major work to be carried out at occupiers' premises. The notices detail the work's purpose, description, estimated duration, and start date and time.</p> <p>Notices are typically sent using a standard letter template and retained as per records management policies and are attached to work orders in Maximo. Personal delivery is preferred for significant work, with the method adapted to the specifics of each case. For large projects, ongoing updates to affected parties are also recommended after the initial notice.</p> <p>Upon review of one (1) sample notice of proposed entry sent to an occupier for major work, we noted that the notice was provided at least 48 hours before the proposed start date of work.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
50	Water Services Act, 2012 Section 174(1)	Notice of a proposed entry by the licensee must be in writing and must set out the purpose of the entry, including (if applicable) any work proposed to be carried out.	Priority: 4	Control adequacy: B	Compliance rating: 2
			<p>Through interviews with the Manager Operations Compliance and a review of the procedure "<i>Procedure for Entry onto Private Property</i>," we noted that notices are typically sent using a standard letter template, retained according to records management policies, and attached to work orders in Maximo.</p> <p>During the site visit to the Mid-West Region, we noted a lack of a formal Notice of Entry process that includes the written notification of the purpose of entry and a description of any proposed work. We were informed that the Water Corporation employee seeks approval from the occupants via a phone call before visiting the occupier's premise.</p> <p>Upon review of 10 sampled notices from other regions, we noted that they provide a written Notice of Entry to occupiers prior to the proposed entry.</p> <p>Based on interviews and a review of documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
51	Water Services Act, 2012 Section 174(3)	Even if in a particular instance the licensee may enter a place under the Act without having to give notice of proposed entry, the licensee must when practicable, and when it will not compromise the reason for entry, give notice of entry to the occupier.	Priority: 4	Control adequacy: B	Compliance rating: 1
			<p>Through interviews with the Manager Operations Compliance and a review of the procedure "<i>Procedure for Entry onto Private Property</i>," we noted the Water Corporation issues written notices to occupiers 48 hours before starting planned work for all major work to be carried out at occupiers' premises. The notices detail the work's purpose, description, estimated duration, and start date and time. For unplanned work, the Notice of Entry is provided as soon as possible.</p> <p>Specific training is the primary control measure for authorised persons and compliance officers, with mandatory refreshers required every five years for authorised persons and every two years for compliance officers.</p> <p>Upon review of the training "<i>Entry to Property</i>", we noted that the prescribed actions to be taken before entering premises are included in the training.</p> <p>Further, upon interviewing one (1) authorised person on-site, we noted that they were aware of the actions to be undertaken should consent not be provided or be revoked.</p> <p>Upon review of the LMS attendance records for the training, we noted 14 instances where authorised personnel could not complete their refresher training.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period; however, with general improvements required.</p>		
52	Water Services Act, 2012 Section 175(2)	If an occupier is present when the licensee proposes to enter a dwelling, the licensee must perform the prescribed actions before entering the	Priority: 4	Control adequacy: B	Compliance rating: 1
			<p>Through interviews with the Manager Operations Compliance and a review of the procedure "<i>Procedure for Entry onto Private Property</i>," we noted that upon arrival at a property, authorised persons are required to introduce themselves, state the purpose of their visit, present their Employee Identification card, and seek the occupier's consent for entry. Once the work is completed, they must inform the occupier of the completion.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		premises.	<p>Specific training is the primary control measure for authorised persons and compliance officers, with mandatory refreshers required every five years for authorised persons and every two years for compliance officers.</p> <p>Training completion is documented in the individual's Learning Management System (LMS) profile. If an untrained person needs to enter a property, they must be accompanied by a trained authorised person.</p> <p>On review of the training "<i>Entry to Property</i>", we noted that the prescribed actions to be taken before entering the premises are included in the training. Further, through interviewing one (1) authorised person on-site, we noted that they were aware of the actions to be undertaken should consent not be provided or be revoked.</p> <p>Upon review of the LMS attendance records for the training, we noted 14 instances where authorised personnel could not complete their refresher training.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period; however, with general improvements required.</p>		
53			Priority: 2	Control adequacy: C	Compliance rating: 2

Obligation no.	Obligation reference	Obligation description	Observation and findings		
	Water Services Act, 2012 Section 175(5)	If the licensee enters a dwelling that is unoccupied, the licensee must leave a notice, which includes the prescribed information, or a copy of the warrant (as applicable) in a prominent position in the dwelling before leaving the dwelling.	<p>Through interviews with the Manager Operations Compliance and a review of the "<i>Guide to entry powers for authorised persons under the Water Services Act, 2012 (WA)</i>", we noted that the Water Corporation has a written guideline that outlines the instructions to be followed on entry into an unoccupied dwelling.</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2022-23 and 2023-24. This non-compliance arises because the notification card left at the dwelling does not include the employee's full name and official title for security reasons; instead, it provides the crew number. We were informed that this approach has no impact on customers, as employees can be identified when necessary.</p> <p>Additionally, in a letter dated 18 December 2015, the Economic Regulation Authority (ERA) stated, "<i>The Authority acknowledges that the Water Corporation's current policy is a practical solution that both identifies the employee and ensures their safety. Accordingly, the ERA does not require the Water Corporation to take any further action in relation to this matter.</i>" We noted that the notice left at the place of dwelling includes all required information (apart from the employee's full name) as stipulated under section 175(5) of the Water Services Act, 2012.</p> <p>During interviews with stakeholders, it was noted that the Water Corporation lacks sufficient documentation to demonstrate that notices were left at the occupiers' dwellings.</p> <p>Based on interviews and a review of documents, it was concluded that there were inadequate controls with significant improvement needed, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>		
54	Water Services Act, 2012 Section 176(1)	If the licensee has entered a place with or without consent, the licensee must leave the premises as soon as practicable after being notified that the owner	Priority: 4	Control adequacy: B	Compliance rating: 1
			<p>Through interviews with the Manager Operations Compliance and a review of the procedure "<i>Procedure for Entry onto Private Property</i>," we noted that upon arrival at a property, authorised persons are required to introduce themselves, state the purpose of their visit, present their Employee Identification card, and seek the occupier's consent for entry.</p> <p>Specific training is the primary control measure for authorised persons and compliance officers, with</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		or occupier has refused or withdrawn their consent.	<p>mandatory refreshers required every five years for authorised persons and every two years for compliance officers.</p> <p>We noted that the <i>"Entry to Property"</i> training confirmed that the training content includes instructions on how employees must leave the premises as soon as practicable after being notified that the owner or occupier has refused or withdrawn their consent.</p> <p>Furthermore, upon interviewing one (1) authorised person on-site, we noted that they were aware of this compliance obligation.</p> <p>Upon review of the LMS attendance records for the training, we noted 14 instances where authorised personnel could not complete their refresher training.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period; however, with general improvements required.</p>		
55	Water Services Act, 2012 Section 176(3)	The licensee must produce their certificate of authority if asked to do so, and must not perform, or continue to perform, a function under the Act if they are not able to do so.	Priority: 4	Control adequacy: B	Compliance rating: 1
			<p>Through interviews with the Manager Operations Compliance and a review of the procedure <i>"Procedure for Entry onto Private Property,"</i> we noted that upon arrival at a property, authorised persons are required to introduce themselves, state the purpose of their visit, present their Employee Identification card, and seek the occupier's consent for entry.</p> <p>Specific training is the primary control measure for authorised persons and compliance officers, with mandatory refreshers required every five years for authorised persons and every two years for compliance officers.</p> <p>We noted that the training content of <i>"Entry to Property"</i> confirmed that the training content includes instructions on how to approach and introduce themselves before entering a private property.</p> <p>During a site visit, we noted that an extract of the Certificate of Authority is printed on the back of employee identification cards. Additionally, employees carry a picture of their Certificate of Authority on</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>their mobile devices should they be required to present it.</p> <p>Furthermore, upon interviewing one (1) authorised person on-site, we noted that they were aware that the Certificate of Authority is required for them to perform a function under the Act.</p> <p>Upon review of the LMS attendance records for the training, we noted 14 instances where authorised personnel could not complete their refresher training.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period; however, with general improvements required.</p>		
56	Water Services Act, 2012 Section 176(4)	If the licensee enters or proposes to enter a place, and the owner or occupier requests the licensee produce evidence of authority for that entry, then the licensee must leave the place if they are unable to do so unless the owner or occupier agrees otherwise.	Priority: 4	Control adequacy: B	Compliance rating: 1
			<p>Through interviews with the Manager Operations Compliance and a review of the procedure <i>"Procedure for Entry onto Private Property,"</i> we noted that upon arrival at a property, authorised persons are required to introduce themselves, state the purpose of their visit, present their Employee Identification card, and seek the occupier's consent for entry. We noted that an Authorised Person is issued an identification card as evidence of authorisation under the Act, which is sufficient when exercising entry powers.</p> <p>Specific training is the primary control measure for authorised persons and compliance officers, with mandatory refreshers required every five years for authorised persons and every two years for compliance officers.</p> <p>We noted the training content for <i>"Entry to Property"</i> includes instructions on how to approach and introduce themselves before entering a private property.</p> <p>During a site visit, we noted that an extract of the Certificate of Authority is printed on the back of employee identification cards. Additionally, employees carry a picture of their Certificate of Authority on their mobile devices should they be required to present it.</p> <p>Furthermore, upon interviewing one (1) authorised person on-site, we noted that they were aware that the Certificate of Authority is required for them to perform a function under the Act.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>Upon review of the LMS attendance records for the training, we noted 14 instances where authorised personnel could not complete their refresher training.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period; however, with general improvements required.</p>		
57	Water Services Act, 2012 Section 181	The licensee, or a person assisting the licensee, must, as far as is practicable comply with any reasonable request from the owner or occupier intended to limit interference with the lawful activities of the owner or occupier.	Priority: 4	Control adequacy: B	Compliance rating: 1
			<p>Through interviews with the Manager Operations Compliance and a review of the <i>"Procedure for Entry onto Private Property,"</i> we noted that an Authorised Person is issued an identification card as evidence of authorisation under the Act, which is sufficient when exercising entry powers.</p> <p>Specific training is the primary control measure for authorised persons and compliance officers, with mandatory refreshers required every five years for authorised persons and every two years for compliance officers.</p> <p>We noted that the training content of the <i>"Entry to Property"</i> training includes compliance with any reasonable request from the owner or occupier intended to limit interference with the lawful activities of the owner or occupier.</p> <p>Furthermore, upon interviewing one (1) authorised person on-site, we noted that they were aware that they needed to comply with any reasonable request from the owner or occupier intended to limit interference with the lawful activities of the owner or occupier.</p> <p>Upon review of the LMS attendance records for the training, we noted 14 instances where authorised personnel could not complete their refresher training.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period; however, with general improvements required.</p>		
58	Water Services	If the licensee applies	Priority: 4	Control adequacy: A	Compliance rating: 1

Obligation no.	Obligation reference	Obligation description	Observation and findings		
	Act,2012 Section 186	for a warrant, the application must contain the prescribed information.	<p>Through interviews with the Manager Operations Compliance and a review of the guide "<i>Guide to Compliance Powers for Compliance Officers under the Water Services Act, 2012</i>," we noted that the contents of a warrant application have been included in the guide.</p> <p>Upon review of one (1) sample application for a warrant, we noted that the application included the following content in line with the prescribed information:</p> <ul style="list-style-type: none"> • Applicant's full name and official title; • Reason for seeking the warrant; • Place that is to be entered; • Statement on whether the entry is opposed or has been refused or prevented, or cannot otherwise be obtained; and • Statement, to the best of the applicant's knowledge, on whether an application under this Division for a warrant to enter the place has been made to any other Justice within the previous 72 hours and, if so, whether a warrant was issued or not. <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
59	Water Services Act,2012 Section 187(1) - (3)	If the licensee applies for a warrant to enter, the application must be made in accordance with the procedures specified depending on the location of the applicant and the justice.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Operations Compliance and a review of the "<i>Guide to Compliance Powers for Compliance Officers under the Water Services Act, 2012</i>," we noted that the guide states that to obtain a warrant to enter, one should usually apply in person before a Justice. In urgent cases where a Justice is not nearby, remote communication can be used after consulting with the Legal Services team for appropriateness.</p> <p>The application should typically be in writing, but if this is impractical, an oral application can be made, and the Justice will document it. An oath is required unless remote communication is used, in which case an affidavit must be sent to the Justice afterwards.</p> <p>If a remote warrant is issued, the Justice will provide the warrant or necessary details to the applicant, who</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>must then complete a warrant form and return a copy to the Justice for attachment to the original warrant.</p> <p>Upon review of one (1) sample application for a warrant, we noted that the warrant application was in writing and was authorised and stamped by the Justice in person.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
60	Water Services Act, 2012 Section 190(4)	Unless required to give a copy of the warrant, the licensee executing the warrant must produce the warrant for inspection by the occupier of the place concerned on entry (if practicable), and if requested to do so.	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Manager Operations Compliance and a review of the guide "<i>Guide to Compliance Powers for Compliance Officers under the Water Services Act, 2012</i>," we noted that an authorised individual executing a warrant is not required to provide a copy of the warrant (unless specifically asked) but must present the warrant for inspection by the occupier of the relevant premises:</p> <ul style="list-style-type: none"> • Upon entry, if practicable; and • If requested to do so. <p>During the interviews, the Manager Operations Compliance confirmed that warrants are made available for property owners to inspect when used to gain access to properties.</p> <p>It was noted that throughout the audit period, there was one (1) instance where a warrant was employed to access a property while the owner was absent, and no subsequent request for a copy of the warrant was made by the owner.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
61	Water Services Act, 2012 Section 190(5)	On completing the execution of a warrant, the licensee must record the prescribed	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Operations Compliance and a review of the guide "<i>Guide to Compliance Powers for Compliance Officers under the Water Services Act, 2012</i>," on review of one (1)</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		information on that warrant.	<p>sample warrant, we noted that the following matters were recorded on the warrant in accordance with section 190(5):</p> <ul style="list-style-type: none"> • The person's full name and official title; • The date and time when the warrant was executed. <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
62	Water Services Act, 2012 Section 210(5)	If the licensee designates a person as an inspector or compliance officer, the licensee must give that person a certificate of authority that includes certain prescribed information.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Operations Compliance and a review of the work instruction "<i>Manage Authorisation for Entry to Property and Compliance Officers</i>," we noted that managers must ensure that Compliance Officers carry valid ID for their entry authorisation under the Water Services Act, 2012, as this is necessary for exercising entry and compliance powers on private property.</p> <p>Upon review of one (1) sample Certificate of Authority, we noted that the following information has been included on the certificate:</p> <ul style="list-style-type: none"> • A recent passport-size photograph of the person; • The person's name; • A statement to the effect that the person is an inspector or compliance officer for the purposes of this Act; • The provisions under which the inspector or compliance officer may exercise powers; and • The expiry date of the certificate. <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
63	Water Services Act, 2012 Section 218(2)	In the exercise or purported exercise of a power under the Act,	Priority: 5	Control adequacy: A	Compliance rating: 1
			Through interviews with the Manager Operations Compliance and a review of the procedure " <i>Procedure for</i>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		the licensee must ensure that, to the extent practicable, the free use of any place is not obstructed, and that as little damage, harm or inconvenience is caused as is possible.	<p><i>Entry onto Private Property,</i>" we noted that the procedure states that when working on private property, the authorised person must make every effort to minimise disturbance to the occupants, ensuring access is unobstructed, harm or inconvenience is minimised, and damage is as limited as possible.</p> <p>Furthermore, the training for Authorised Persons includes an explanation of this obligation which includes ensuring that the free use of any place is not obstructed. This training is a mandatory prerequisite for becoming a Compliance Officer. Additionally, upon completion of the works, customer complaints are examined to ascertain if they pertain to possible violations of the Act by any of our employees or contractors.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
64	Water Services Act,2012 Section 218(3)	If the licensee does any physical damage in the exercise of a works power or a power of entry, the licensee must ensure that the damage is made good and pay compensation to the extent that it is not practicable to make good the damage.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Operations Compliance and a review of the procedures "<i>S071 Ex-Gratia Payments Standard</i>" and "<i>Reinstatement Guide</i>," we noted that field crews complete necessary steps to ensure the site is safe. In case of any physical damage, in the exercise of a works power or a power of entry, the employee informs the affected customers about the next steps. They then notify their Team Leader, who arranges for full reinstatement with a contractor and informs the customer of the schedule.</p> <p>A responsible person oversees the restoration and follows up with the customer to resolve any issues. If there is a dispute over the work, the Water Corporation either rectifies it, offers compensation if the complaint is valid, or directs the customer to the Ombudsman for invalid complaints.</p> <p>Upon review of one (1) ex-gratia payment claim, we noted that the damage caused by a burst pipeline was compensated to the affected customer by the Water Corporation.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
66	Water Services Regulations 2013 Regulation 24(4)	If the licensee gives a compliance notice to a person in respect of access to meters, the notice must specify the specified information.	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Coordinator Metro Field Support and a review of the "<i>Obstructed Meter Compliance Notice Template</i>", we noted that the template specifies the following in line with Regulation 24(4):</p> <ul style="list-style-type: none"> • The licensee's satisfaction that the person given the notice has failed to comply with relevant regulations; • The actions required for the person given the notice to remedy the failure to comply; and • The time frame within which the person given the notice must comply. <p>However, as per confirmation with the Coordinator Metro Field Support, it was determined that during the audit period, no Obstructed Meter Compliance Notices were issued.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
67	Water Services Regulations 2013 Regulations 26(3)	If the owner or occupier requests the licensee to test a meter and pays the charge (if any) for testing that type of meter, the licensee must test the meter in accordance with a procedure approved by the CEO for the purpose of this regulation.	Priority: 1	Control adequacy: B	Compliance rating: 2
			<p>Through interviews with the Manager Policy and Compliance and a review of the standard "<i>S309 Testing of Water Meters</i>," we noted that the Water Corporation can test meters at any time or upon customer request. Meters must comply with Australian Standard 3565.1-2004 for accuracy, and the Water Corporation conducts sample tests. Meters are tested at the Water Corporation's Meter Testing Laboratory, and customers can apply for a test with a fee. If a test reveals a discrepancy of 5% or more, the meter is replaced at the Water Corporation's expense, and water usage may be estimated. For discrepancies of 5% or less, the customer bears the test cost, and the reading stands.</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2022-23, noting that the regulations specifically require the CEO of the Department of Water and Environmental Regulation to approve the meter testing procedure instead of the Head of Engineering of the Water Corporation.</p> <p>Upon further review of 15 sampled meter testing requests, we noted that meter testing was carried out</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>upon occupier request, consistent with the approved Meter Testing Procedure.</p> <p>Based on interviews and a review of the documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>		
68	Water Services Regulations 2013 Regulation 26(5)	If a meter test finds that the meter is outside the prescribed tolerance applicable, the licensee must take the specified actions, bear the costs of testing and refund or credit any charges paid under regulation 26(3).	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy and Compliance and a review of the standard "S309 <i>Testing of Water Meters</i>," we noted that the Water Corporation can test meters at any time or upon customer request. Meters must comply with Australian Standard 3565.1-2004 for accuracy, and the Water Corporation conducts sample tests. Meters are tested at the Water Corporation's Meter Testing Laboratory, and customers can request a test with a fee. If a test reveals a discrepancy of 5% or more, the meter is replaced at the Water Corporation's expense, and water usage may be estimated. For discrepancies of 5% or less, the customer bears the test cost, and the reading stands.</p> <p>Upon reviewing one (1) sample meter test request, we noted that when the meter was found to be faulty, the Water Corporation replaced the meter at no cost to the customer in accordance with regulation 26(3). We also observed that the meter reading and water charges were adjusted when the meter was faulty, and the adjustment was reflected in the customer's next bill as per regulation 26(5). Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
69	Water Services Regulations 2013 Regulation 29(1)	The licensee must, on the written request of a developer who is required to pay the licensee an infrastructure contribution in respect of a subdivided lot,	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Senior Advisor - Business Management and a review of the fact sheet "<i>Infrastructure Contributions Deferral of Residential Subdivisions - Fact Sheet</i>" we noted that the Water Corporation is required to permit the deferral of infrastructure contributions for up to one (1) year, on the condition that the Applicant satisfies the eligibility criteria and agrees to the specified terms and</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		defer the payment of the contribution unless regulations 29(3) or 29(4) applies.	<p>conditions.</p> <p>The deferral period will conclude upon the occurrence of any of the following events:</p> <ul style="list-style-type: none"> ▪ Change in ownership of the lot; ▪ The lot becomes serviced; and ▪ Expiry of one (1) year from the date of agreement. <p>Upon a review of one (1) sample application and the associated payment instalments, it was noted that the developer (customer) requested a deferral of payments for five lots. The records indicate that the developer subsequently fulfilled their financial obligations as per the agreed terms.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
70	Water Services Regulations 2013 Regulation 42(2)	The written order requiring the owner or occupier of land to install a backflow prevention device must set out the date by which the device must be installed and tested (which must be at least 7 days after the day on which the order is given to the owner or occupier).	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Specialist - Business Performance & Assurance (Operations Services) and a review of the work instruction "<i>Backflow Prevention Proc 6-3 - Managing Backflow Prevention Non-Compliance</i>", we noted that the amount of time provided to install required backflow prevention devices should be at least seven (7) days after the day on which the order is given to the owner or occupier.</p> <p>However, as per confirmation with the Specialist - Business Performance & Assurance (Operations Services), we found that during the audit period, there were no instances where a Backflow Prevention Device Order was issued.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
71	Water Services	The compliance notice	Priority: 4	Control adequacy: N/P	Compliance rating: N/R

Obligation no.	Obligation reference	Obligation description	Observation and findings		
	Regulations 2013 Regulation 43(3)	given by the licensee to the owner or occupier of land must specify that the backflow prevention device be tested or maintained in accordance with the standard and the date by which the testing or maintenance is required to be done (which must be at least 7 days after the day the notice is given to the owner or occupier).	<p>Through interviews with the Specialist - Business Performance & Assurance (Operations Services) and a review of the "<i>Backflow Prevention Device Order Template</i>", we noted that the template specifies the number of days within which the backflow prevention device must be installed and tested.</p> <p>However, as per confirmation with the Specialist - Business Performance & Assurance (Operations Services), we found that during the audit period, there were no instances where a Backflow Prevention Device Order was issued.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
72	Water Services Regulations 2013 Regulation 43(6)	The compliance notice requiring the owner or occupier of land to have their backflow prevention device made good as specified in the notice must include the work that is required to be done, the manner in which the work is to be done and the date by which the work is to be done (which must be at	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Specialist - Business Performance & Assurance (Operations Services) and a review of the "<i>Backflow Prevention Device Order Template</i>", we noted that the template clearly specifies:</p> <ul style="list-style-type: none"> • The work required to ensure that the device complies with the notice; • The manner in which the work is to be completed; and • The deadline for the work to be finished. <p>However, as per confirmation with the Specialist - Business Performance & Assurance (Operations Services), it was determined that during the audit period, no Backflow Prevention Device Orders were issued.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		least 7 days after the day the notice is given to the owner or occupier).			
74	Water Services Regulations 2013 Regulation 60(2)	If the licensee proposes to exercise a works power in a road and considers that it is necessary to alter the position of infrastructure, the licensee must notify the person who is responsible for the infrastructure and may request that the person make the alterations within the time specified in the notice.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>As per interviews with the Team Leader Best Practice and a review of the manual "<i>External Approvals for Engineering Infrastructure</i>," we noted that the manual refers to the "<i>General Works Checklist</i>" to ensure all prerequisites for work obligations are met.</p> <p>The checklist titled "<i>CW03713 PTW11 General Works Checklist - Checklist_3947</i>" confirms that notifications to relevant authorities for road and infrastructure alterations have been embedded in the process.</p> <p>Upon review of one (1) sample of a general work project, we noted that the Water Corporation emailed a notice of proposal, detailing the project as specified, to Main Roads Western Australia – the responsible road authority in the State.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
75	Water Services Regulations 2013 Regulation 63	If the licensee opens or breaks up the surface of a road, the licensee must complete the relevant work and reinstate and make good the road and must take all reasonable	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Operations Compliance and a review of the procedure "<i>Reinstatement Guide</i>," we noted that field crews complete their work and carry out temporary safety measures, including setting up traffic management signage and barricades. They then alert the Team Leader about the need for permanent reinstatement by marking it in Maximo at the time of closing the work order.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		measures to prevent that part of the road from being hazardous.	<p>A responsible individual coordinates with a panel contractor for full reinstatement and issues a work order. This person also oversees the completion of the reinstatement and ensures regular checks on the temporary safety measures to maintain road user safety.</p> <p>In cases where the quality of reinstatement is disputed, the Water Corporation will inspect the work to determine if the issue stems and if the Water Corporation is at fault, it commits to redoing the reinstatement work.</p> <p>Upon review of one (1) break the road notification, we noted that the Water Corporation reinstated the road where work required breaking the road surface.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
76	Water Services Regulations 2013 Regulation 65(1)	The licensee must maintain records for all land in respect of which water service charges apply.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy and Compliance and a review of the policy "<i>PCY320 Maintain Property Record</i>," we noted that the Water Corporation uses the Grange system to store property and customer information, with access being restricted to the Customer Billing and Operations Contact Centre teams.</p> <p>Records in the Grange system is updated based on inputs from various sources as per the policy and include property details, owner information, account numbers, land values, classifications and unpaid charges.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
77	Water Services Regulations 2013 Regulation 65(2)	The records for all land in respect of which water service charges apply must contain the	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy and Compliance and a review of the policy "<i>PCY320 Maintain Property Record</i>," we noted that the Water Corporation uses the Grange system to store property and</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		prescribed information.	<p>customer information, with access restricted to the Customer Billing and Operations Contact Centre teams.</p> <p>Upon review of one (1) sample record of land recorded in the Grange system, we noted that the following details were included in line with Regulation 65(2):</p> <ul style="list-style-type: none"> • situation of the land; • the name and address of the owner of the land; • the account number; • the gross rental value; • the classification of the land for the purpose of applying any charge in respect of the land; • any other information that the licensee requires for the determination of a charge in respect of the land; and • the amount of any charge that is unpaid. <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
78	Water Services Regulations 2013 Regulation 65(4)	Unless regulation 65(5) applies, the licensee must make the records for all land in respect of which water service charges apply available for inspection by any person without charge and give a copy of particular records to a person with a material interest in them, on payment of the	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy and Compliance and a review of the Water Corporation's website, we noted that the Water Corporation's "My Water" website (https://www.watercorporation.com.au/Help-and-advice/Bill-and-account/Rates-and-charges/Property-water-rates-search) informs the public about the procedure for accessing and inspecting the Water Corporation's records. The "My Water" property search tool provides limited details such as:</p> <ul style="list-style-type: none"> • Address; • Client type (e.g., Business, home unit); • Lot size; • Available and connected services; • Water; • Sewerage; 		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		prescribed charge, if any, for giving a copy of the records.	<ul style="list-style-type: none"> • Drainage; • Number of water meters connected; • Meter number; and • Meter location on the property. <p>Complete records are accessible only through a direct request. Individuals can call 13 13 85 to schedule an appointment to view these records at the Water Corporation's Balcatta office. Staff conduct identity verification before releasing information to customers. We noted that customers can also request a copy of the records after payment of the prescribed fees.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
78A	Water Services Regulations 2013 Regulations 65(5) and 65(6)	Unless a customer gives their consent under regulation 65(6), the licensee must not make a record relating to a customer available for inspection by a person, or give a copy of a particular record relating to the customer to a person, if doing so would disclose information that the customer has requested be kept confidential because the customer believes that disclosure	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Manager Policy & Compliance and a review of the work instruction "<i>Family Violence - Financial Support Work Instruction</i>," we noted that the Grange system stores property and customer information.</p> <p>The Financial Care Team, trained in family violence matters, exclusively accesses sensitive records in Nexus with restricted access. Customer Service and Operations Centre staff receive online training to direct family violence-related calls to the Financial Care Team.</p> <p>Accounts linked to family violence are labelled "Privacy Account" in the Grange system. Customer details are masked on key screens, with pop-up warnings for family violence cases implemented since 28 February 2022. Confidential interviews are securely logged in the Nexus system, accessible only to the Financial Care Team.</p> <p>As per confirmation with the Manager Policy & Compliance and a review of the "<i>Family Violence Register - Inspecting Records</i>," we noted no instances of customer account details marked as private being disclosed.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		could increase the risk of family violence to the customer or an associated person.			
79	Water Services Regulations 2013 Regulation 67	Except as otherwise provided under the Act, the records maintained by the licensee for a period in relation to land are the basis upon which the licensee must determine the water service charges applicable for the period.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy and Compliance and a review of the policy "<i>PCY320 Maintain Property Record</i>," we noted that water service charges are billed based on the Water Corporation's records. The Water Corporation ensures that records in the Grange system are consistent with data from other State and Local Government Agencies. Records are updated with accurate customer-provided information as necessary, allowing for retroactive adjustments to charges in case of inaccuracies.</p> <p>Water service charges vary between residential and commercial customers. Residential customers are subject to a standard fixed charge, while commercial charges are calculated using factors such as rental valuation, meter size, required flow rate, and the number of major fixtures.</p> <p>We noted that sewerage and drainage charges are determined by the gross rental value of the property which is determined by Landgate Property Valuation Services.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
80	Water Services Regulations 2013 Regulation 68(5)	The licensee must consider an objection to the records maintained by a licensee under Regulation 65 as soon as practicable.	Priority: 5	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Manager Policy and Compliance and a review of the procedure "<i>Procedure for Processing External Customer Enquiries and Complaints</i>," we noted that the procedure documents that objections must be promptly addressed by the responsible team upon receipt.</p> <p>A substantive response to all objections is required within 15 business days. If an objection cannot be resolved within this timeframe, an interim response, either verbal or written, should be given.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>However, as per confirmation with the Manager Policy & Compliance, we noted that no objections to records were received by the Water Corporation.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
81	Water Services Regulations 2013 Regulation 68(6)	The licensee must give the person by whom the objection was made written notice of the licensee's decision on the objection together with a brief statement of the licensee's reasons for the decision.	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Manager Policy and Compliance and a review of the procedure "<i>Procedure for Processing External Customer Enquiries and Complaints</i>," we noted that the procedure documents that after making a decision on an objection, the Water Corporation must issue a written notice to the customer, which includes the decision and a brief statement outlining the reasons for that decision.</p> <p>However, as per confirmation with the Manager Policy & Compliance, we noted that no objections to records were received by the Water Corporation.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
82	Water Services Regulations 2013 Regulation 68(7)	If the licensee allows an objection, wholly or in part, to entries in the records maintained by a licensee under regulation 65, the licensee must advise the person who objected of any consequent amendment of the records.	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Manager Policy and Compliance and a review of the procedure "<i>Processing Objections to Records</i>," we noted that the procedure documents that a customer must be advised of any consequential amendments to their records subject to an allowable objection.</p> <p>However, as per confirmation with the Manager Policy & Compliance, we noted that no objections to records were received by the Water Corporation.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
83	Water Services	If the licensee disallows	Priority: 4	Control adequacy: N/P	Compliance rating: N/R

Obligation no.	Obligation reference	Obligation description	Observation and findings		
	Regulations 2013 Regulation 68(8)	an objection, wholly or in part, to entries in the records maintained by a licensee under regulation 65, the licensee must advise the person of the time within which and the manner in which a review of the decision may be sought.	<p>Through interviews with the Manager Policy and Compliance and a review of the procedure "<i>Property Records Objection to State Administrative Tribunal (SAT)</i>," we noted that the procedure documents that should the Water Corporation disallow an objection, either entirely or partially, the Water Corporation must inform the customer about their rights and the necessary steps to take if they wish to contest this decision further. This includes the time and the manner in which a review of the decision may be sought.</p> <p>This involves guiding the customer to formally request, in writing, that the Water Corporation submit the records to the State Administrative Tribunal (SAT) for review.</p> <p>The customer is informed that a written request from the customer must be submitted within 42 days from when they received the written notification from the Water Corporation that their objection was disallowed. However, as per confirmation with the Manager Policy & Compliance, we noted that the Water Corporation received no objections to records, and therefore, no referrals to the State Administrative Tribunal were made during the audit period.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
84	Water Services Regulations 2013 Regulation 69(3)	Upon receipt of a notice from a person dissatisfied with a decision of the licensee on an objection, the licensee must promptly refer the relevant records to the State Administrative Tribunal for a review.	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Manager Policy and Compliance and a review of the procedure "<i>Property Records Objection to State Administrative Tribunal (SAT)</i>," we noted that the procedure documents that the Water Corporation must, within 10 working days of receiving the customer's notice, refer the relevant records to the State Administrative Tribunal (SAT) for a SAT Review.</p> <p>However, as per confirmation with the Manager Policy & Compliance, we noted that no objections to records were received by the Water Corporation; therefore, no referrals to the State Administrative Tribunal were made during the audit period.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
85	Water Services	Upon receipt of a notice	Priority: 4	Control adequacy: N/P	Compliance rating: N/R

Obligation no.	Obligation reference	Obligation description	Observation and findings		
	Regulations 2013 Regulation 70(2)	from a person dissatisfied with a decision of the licensee to refuse to extend the time for giving an objection to the licensee or a notice under regulation 69(2), the licensee must promptly refer the decision to the State Administrative Tribunal for a review.	<p>Through interviews with the Manager Policy and Compliance and a review of the procedure "<i>Property Records Objection to State Administrative Tribunal (SAT)</i>," we noted that the procedure documents that if an individual is not satisfied with a licensee's refusal to extend the deadline for filing an objection or for requesting that the licensee refer records to the State Administrative Tribunal (SAT) for review, they have the right to demand that the licensee submit the refusal decision to the SAT for reconsideration.</p> <p>However, as per confirmation with the Manager Policy & Compliance and a review of the "<i>SAT Referral Register</i>," we noted that no such demands were received by the Water Corporation during the audit period.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
86	Water Services Regulations 2013 Regulation 74(1)	The licensee must make any amendment of the records necessary as a consequence of an allowance, wholly or in part, of an objection under the <i>Act or the Valuation of Land Act 1978</i> or as a consequence of a review by the State Administrative Tribunal.	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Manager Policy and Compliance and a review of the procedure "<i>Property Records Objection to State Administrative Tribunal (SAT)</i>," we noted that the procedure documents that after a hearing or mediation/conference sessions, the State Administrative Tribunal (SAT) will communicate with both Legal Services and the customer regarding the "<i>Final Orders</i>" and "<i>Reasons for Decisions</i>."</p> <p>If the SAT supports the customer's objection, regulation 74 of the Water Services Regulations 2013 mandates that the Water Corporation must update its records to reflect the acceptance, either in full or in part, of the objection or because of the SAT review.</p> <p>However, as per confirmation with the Manager Policy & Compliance and review of the "<i>SAT Referral Register</i>," we noted that no objections were referred to SAT by the Water Corporation during the audit period.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.		
87	Water Services Regulations 2013 Regulation 74(2)	The licensee must, if necessary, as a consequence of the amendment to the records under regulation 74(1), determine or re-determine any water service charge; and, if necessary, provide a rebate or refund.	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Manager Policy and Compliance and a review of the procedure "<i>Property Records Objection to State Administrative Tribunal (SAT)</i>," we noted that the procedure documents that if the State Administrative Tribunal (SAT) rules in favour of the customer's objection, Water Services Regulations 2013 Regulation 74 requires the Water Corporation to adjust its records to indicate whether the objection has been fully or partially allowed, or as a result of the SAT Review.</p> <p>Additionally, the Water Corporation must recalculate any water service charges accordingly and, if applicable, issue a refund or rebate to the customer.</p> <p>However, as per confirmation with the Manager Policy & Compliance and review of the "<i>SAT Referral Register</i>," we noted that no objections were referred to SAT by the Water Corporation during the audit period.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
88	Water Services Regulations 2013 Regulation 75(1)	If a person is liable, under an agreement with the owner of land, for payment of the water service charges in respect of certain land, the person is entitled to receive from the licensee all information necessary for the person to assess his or her liability under	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy and Compliance and a review of the policy "<i>PCY319 Maintain Customer Records</i>," we noted that the property owner, Managing Agent, or Tenant can request specific information from the Water Corporation by phone, email, letter, or website, provided they meet security requirements.</p> <p>The Water Corporation's website states its commitment to the privacy of personal information in accordance with the Privacy Act 1988, disclosing personal information only as necessary to deliver requested services.</p> <p>Upon review of one (1) sample MyAccount page, we noted that property managers can register to get</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		the agreement.	relevant information about billing as required by Regulation 75(1) of the Water Services Regulations 2013. Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.		
88A	Water Services Regulations 2013 Regulation 80H	The licensee must, within 60 days after receiving a water efficiency management plan from an owner or occupier of a non-residential lot, approve the plan, request further information, or request a revised plan by written notice.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Lead of Demand Programs and a review of the work instructions for the “<i>Water Efficiency Management Plan (WEMP) Program</i>,” we noted that it outlines the roles and responsibilities of program management, as well as the processes involved in requesting, reviewing, accepting, rejecting, and exempting WEMP reports, in line with the Water Services Regulations 2013.</p> <p>Non-residential customers who use more than 20,000 KL of water per annum receive an auto-generated email requesting them to complete a Water Efficiency Management Plan (WEMP). The email contains a brief history of the WEMP and an iApply form link to be completed by the customers.</p> <p>The system sends an automated email to the Water Efficiency inbox when a customer submits a plan via iApply.</p> <p>The Demand Programs team can take up to 60 days to process the WEMP submissions. However, during interviews, we were informed that the Water Corporation aims to process the WEMP within 15 working days.</p> <p>Upon review of one (1) sample WEMP submission by a relevant customer, we confirmed that the WEMP was approved within the 60-day timeframe.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
89	Water Services Regulations 2013 Regulation	Compliance notices issued by the licensee must include a brief	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			Through our interviews with the Manager Operations Compliance and our review of the “ <i>Compliance Notice</i>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
	85	description of the possible consequences under the Act of not complying with the notice, and the rights of review under the Act in relation to the notice and who may apply for review.	<p><i>Process Framework</i>," we noted that the use of compliance notices represents the final step in the Water Corporation's compliance process. The framework also provides templates for issuing compliance notices when necessary.</p> <p>The compliance notice template outlines the consequences of non-compliance and informs customers of their right to request a review under the Act, either through the State Administrative Tribunal or the Water Services Ombudsman. However, the Manager Operations Compliance confirmed that no compliance notices were issued for the sections in question.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
90	Water Services Regulations 2013 Regulation 86(6)	If the licensee appoints an employee as an authorised or approved officer for the purposes of the Criminal Procedure Act 2004 Part 2, the licensee must issue the officer a certificate, badge or identity card identifying the officer as a person authorised to issue infringement notices.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Operations Compliance and a review of the work instruction "<i>Management of Infringement Officers and Notices</i>," we noted that the Legal Services team is responsible for obtaining the CEO's approval of proposed Infringement Officers and Approved Officers, in accordance with the Water Corporation's documented guidelines.</p> <p>As part of the approval process, the Legal Services team also coordinates the CEO's signature on the Infringement Officers' Certificate of Authority. This certificate follows a predetermined template and is subsequently provided to the appointed officer for their records.</p> <p>Upon review of the register of appointed persons, we noted that the Water Corporation had issued a Certificate of Authority to the Water Corporation's employees appointed to be an officer for the purposes of the Criminal Procedure Act 2004 Part 2. Further, through the list of authorised officers or approved officers for the purposes of the Criminal Procedure Act 2004 Part 2 and a sample of one (1) employee appointed as an authorised officer, we verified that employee has a Certificate of Authority issued by the Water Corporation with a signature from the Chief Executive Officer.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
91	Water Services Regulations 2013 Regulation 86(9)	The licensee must maintain a list of persons appointed to be authorised officers or approved officers for the purposes of the Criminal Procedure Act 2004 Part 2, and must, on request, give a copy of the list to the CEO or to the chief executive officer of the Public Services principally assisting in the administration of the Criminal Procedure Act 2004.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Operations Compliance and a review of the work instruction "<i>Management of Infringement Officers and Notices</i>," we noted that the Legal Services team is responsible for obtaining the CEO's approval of proposed Infringement Officers and Approved Officers, in accordance with the Water Corporation's documented guidelines.</p> <p>An up-to-date roster of Infringement Officers and Approved Officers is maintained in a register. Upon request, Legal Services will give a copy of the officer list to the Chief Executive Officer of the department primarily aiding in the enforcement of the Criminal Procedure Act 2004.</p> <p>Should there be any changes in the status of an Infringement Officer or Approved Officer, such as a change in position or departure from the organisation, the relevant department must inform Legal Services. This ensures that the list of officers is updated accordingly.</p> <p>Upon review of the "<i>Register of Authorised & Approved Officers</i>" we noted that an approved register is up to date as required.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
92	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 8(1) - (3)	The licensee must have written information for customers about the prescribed matters regarding connections and the information must be publicly available.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Senior Advisor for Business Management and a review of the Water Corporation's website for provision of services (https://www.watercorporation.com.au/Help-and-advice/Building-and-renovating/Water-and-sewer-connections/Water-and-sewer-connections) and new connections (https://www.watercorporation.com.au/Developing-and-building/Applying-for-services/New-water-services/Water-supply-services), we noted that the Water Corporation provides customers with written information on the required topics related to connections. Additionally, we were also informed by the Water Corporation that customers could request printed copies of these documents free of charge.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			period.		
93	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 9(2) and (4)	The licensee must ensure that, in any 12-month period, 90% of water supply service connections are completed before the end of 10 business days, starting on the day on which the customer has paid the relevant fees and complied with the relevant requirements.	Priority: 2	Control adequacy: B	Compliance rating: 2
			<p>Through interviews with the Manager Operations Compliance and a review of the "<i>Work Instruction - New Service Connection</i>", we noted that the work instruction includes the timeline and performance measurement standard of service to be followed in case of new service connections. As per the instructions, the Grange system automatically checks accounts on a daily basis and once payment is received, it will generate a work order to commence the installation process.</p> <p>The work order specifies start and completion dates based on a 10-business day timeframe. For performance measurement, the SAP Business Warehouse extracts the dates and matches this with the date of work order creation from the Grange system to establish if the 10-business day timeframe has been met.</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2022-23, as the Water Corporation achieved an 89.9% completion rate for water supply service connections within the specified period during the reporting period, falling short of the 90% target. The Water Corporation failed to meet the target on 967 occasions out of 9,576 new connections performed over the financial year 2022-23.</p> <p>The non-compliance was attributed to the need to redirect resources to address outstanding customer faults and meter jobs in February, March, and April of 2023.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that the responsible team now monitors their compliance with this obligation through a performance dashboard and dedicated personnel monitor the compliance of this obligation. Furthermore, there has been no non-compliance with this obligation in 2023-24, with 96.3% of new connections reported as completed within 10 business days.</p> <p>Additionally, our review of 10 sampled new connection requests confirmed that they were completed within the 10 business days required by the obligation.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			Based on interviews and a review of documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.		
94	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 10(2)	If the licensee charges a fixed charge, the licensee must issue a bill for a fixed charge to each customer at least once in every 12-month period.	Priority: 4	Control adequacy: B	Compliance rating: 2
			<p>Through interviews with the Manager Policy & Compliance and a review of the policy "<i>PCY321 Bill Customer</i>", we noted that the Water Corporation has a written policy to raise charges and bill customers based on Acts, Regulations, Customer Code and Internal Standards and Guidelines under the conditions of its Operating Licence. It outlines the billing process and includes the following details:</p> <ul style="list-style-type: none"> Water use and service charges are usually billed at two monthly intervals around the time the meter to the property is read, with charges due 16 days after the issue date for residential customers, 21 days for non-residential customers, and 28 days for major consumers. Service charges can be billed annually upon customer request, while water use charges continue to be billed bi-monthly. <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2023-24. In January 2024, it was identified that bills were not being issued to customers who had elected to receive electronic bill delivery in instances where a permanent intercept had been applied to the account. Intercepts are applied when an account needs to be verified before being issued to the customer. Permanent intercepts were required to be reviewed before releasing bills to customers. This resulted in 25 bills (0.0003% of 7.8 million) with fixed charges not being issued over a 12-month period.</p> <p>This breach was a result of the intercepts not being reviewed and released, leading to accounts not being issued to customers. We noted that in February 2024, permanent bill intercepts were removed from accounts.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that the Grange system rules were reviewed and enhanced, and daily reporting was developed to provide better control and</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings
			<p>oversight over the management of intercepts. Additionally, electronic intercepts are now regularly monitored to mitigate future instances of a breach.</p> <p>Upon review of 10 sampled customers, we noted that a bill for a fixed charge is issued at least once in a 12-month period.</p> <p>Based on interviews and a review of documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>

Obligation no.	Obligation reference	Obligation description	Observation and findings		
95	Water Services	If the licensee charges a	Priority: 2	Control adequacy: B	Compliance rating: 2

	<p>Code of Conduct (Customer Service Standards) 2018 Clause 11(2)</p>	<p>quantity charge, the licensee must issue a bill - for a quantity charge to each customer at least once in every 4-month period.</p>	<p>Through interviews with the Manager Policy & Compliance and review of the policy "<i>PCY321 Bill Customer</i>", we noted that the Water Corporation has a written policy to raise charges and bill customers based on Acts, Regulations, Customer Code and Internal Standards and Guidelines under the conditions of its Operating Licence. It outlines the billing process, stating that "<i>If quantity charges apply, a bill for usage must be issued at least once in every four-month period.</i>" Water use charges, or bills for the quantity supplied or discharged, are calculated based on the actual meter reading, from the date of the customer's last meter reading to the current one.</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Reports of 2022-23 and 2023-24, failing to issue a bill for quantity charges to a customer every four months:</p> <ul style="list-style-type: none"> • In 2022-23, non-compliance occurred when a bill was sent to the wrong customer due to an email registration error. An investigation found that the 'test' My Water login page was inadvertently connected to the production environment, and an IT contractor mistakenly altered a customer's email address in the production environment instead of in a test environment. Recognised as an isolated incident, this error prompted feedback to the Project Manager and the disconnection of the contractor's access to the account on 27 March 2023, to prevent further incorrect correspondence. No non-compliance for similar reasons was noted in 2023-24. • In January 2024, it was identified that electronic bills were not issued to customers with permanent intercepts on their accounts, which are placed for verification before issuance. This human error and oversight affected 160 accounts. The breach occurred due to an error in managing intercepts, which failed to release bills to the customers at least once in every four-month period. We noted that approximately 7.8 million bills are issued by the Water Corporation every year. <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that the Grange system rules have since been reviewed and improved, with new reporting measures to better manage intercepts. Regular monitoring of electronic intercepts has been established to avoid future breaches.</p> <p>Upon review of 10 sampled customers, we noted that bills have been issued at least once in a four-month period.</p> <p>Based on interviews and a review of documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period,</p>
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Obligation no.	Obligation reference	Obligation description	Observation and findings		
			resulting in a minor impact on customers or third parties.		
96	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 11(3)	A bill for usage must be based on a meter reading to ascertain the quantity supplied or discharged.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the work instruction "<i>PC321 Bill Customer</i>" and the "<i>Understanding Your Water Bill</i>" page on the Water Corporation website (https://www.watercorporation.com.au/Bill-and-account/My-charges), we noted that water use charges (for example, billing for water supply and discharge) are calculated based on the actual meter reading where possible. Upon review of one (1) sample bill, we found that it includes the following information:</p> <ul style="list-style-type: none"> • Previous meter reading; • Current meter reading; and • Basis of the meter reading. <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
97	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 11(4)	If an accurate meter reading is not possible, a bill for usage must be based on an estimate, in accordance with the prescribed regulations (if any), of the quantity of water supplied or wastewater discharged. (Note: The Water Services Regulations 2013 did not address the estimation of bills at	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the documents "<i>PC321 Bill Customer</i>" and "<i>S308 Estimating and Projecting Water Use</i>," we noted that when it is not feasible to obtain an actual meter reading (for example, due to malfunctioning meters or barriers to access), charges are based on an estimated or projected reading.</p> <p>Upon review of one (1) sample bill based on an estimate, we noted that it specifies that the reading is an "<i>estimated reading</i>."</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		the time this Reporting Manual was published).			
98	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 11(5)	If an accurate meter reading is not possible and there are no applicable regulations, a bill for usage must be based on a reasonable estimate of supply or discharge using one of the prescribed methods.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of one (1) sample bill based on an estimate, we noted that the bill the estimate was derived from the property's water usage during the corresponding period of the previous year.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
98A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 11(6)	Despite subclauses 11(4) and (5), a bill for usage based on a meter reading must be issued at least once in every 12-month period.	Priority: 2	Control adequacy: B	Compliance rating: 2
			<p>Through interviews with the Manager Policy & Compliance and review of the standard "<i>S308 Estimating and Projecting Water Use</i>", we noted that the Water Corporation has a written standard which specifies the process and conditions for estimating and projecting water usage readings. As per the standard, a maximum of three consecutive projected readings may be recorded for a property before an actual reading, either by an employee or contractor or through a customer self-read, must be obtained and recorded in the Grange system for billing.</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24, reporting that meter readings could not be obtained for 1,611 (0.15%)* and 2,022 (0.18%) meters, respectively, out of approximately 1.1 million meters, within a two-month period. We also noted that the Water Corporation has recently amended the monitoring reports to more accurately capture instances of non-compliance.</p> <p>The non-compliance was attributed to difficulties accessing meters due to walls, locked gates, and dogs on properties. We were informed that attempts to contact these customers and resolve the access issues were</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>unsuccessful. In such cases, the Water Corporation issues bi-monthly bills based on estimated water usage and follows up with the customer.</p> <p>Starting 1 July 2024, a new subclause in the Customer Code will permit compliance under specific conditions. In response, the Water Corporation is developing a new process and communication strategy to issue compliance notices to customers who fail to provide access for meter readings within a 12-month period. This process will ensure that compliance notices are issued only when customers fail to provide adequate access, rather than when the Water Corporation is unable to obtain a reading due to severe weather or resource constraints in remote areas.</p> <p>Upon review of 10 sampled customers, we noted that bills based on actual meter readings are issued at least once in every 12-month period.</p> <p>Based on interviews and a review of documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p> <p>* Since the Water Corporation changed its methodology for capturing non-compliance instances in 2023-2024, the figures for 2022-2023 have been revised to provide a consistent basis for comparison. The non-compliance instances for 2022-2023 Annual Compliance Report were initially reported as 961, as opposed to 1,611 under the new methodology.</p>		
99	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 12	The licensee must send a bill to the address of the place where the water service is provided or, if the customer nominates another address, to the nominated address.	Priority: 1	Control adequacy: B	Compliance rating: 2
			<p>Through interviews with the Manager Policy & Compliance and a review of the policy "<i>PCY319 Maintain Customer Records</i>", we noted that the Water Corporation has a written procedure on the management of customer information, including details of special considerations that individual customers may be entitled to. The policy states that the Water Corporation sends bills to the postal address or electronically e.g. via email address as nominated by the property owner or authorised third party. If they do not nominate an address, the Water Corporation sends bills to the property to which the charges relate, or to the last known address they have for the property owner.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24, with two (2) and four (4) instances noted in 2022-23 and 2023-24, respectively, where bills were not sent to customers at their designated addresses.</p> <p>In 2022-23, one (1) instance occurred due to human error and oversight, wherein the address was not correctly updated in the Electronic Advice of Sale (EAS) system of Landgate. The second instance was due to property sale transactions not being updated in a timely manner because of connectivity issues, resulting in the bill being sent to the seller instead of the new owner (purchaser) of the property.</p> <p>In 2023-24, the issues with sending the bill to the incorrect address were due to human error and oversight in recording the customer address, issues in the Electronic Advice Sale (EAS) system and errors in managing intercepts. This impacted 566 customer bills (0.0073% of the approximately 7.8 million bills issued by the Water Corporation annually).</p> <p>We noted that customer bills were provided to the correct customer and address after the identification of the issue. We noted that in the Annual Compliance Report, the Water Corporation confirmed that the Water Corporation has implemented additional training programs to prevent such errors in the future.</p> <p>In February 2024, the Grange system rules were reviewed and enhanced, and reporting was developed to provide better control over the management of intercepts. Training and feedback have been provided to the relevant billing teams to ensure they understand the importance of monitoring and releasing accounts.</p> <p>Upon review of 15 sampled customers, we noted that customer bills are sent to the address of the place where the water service was provided or, if the customer nominated another address, to that nominated address.</p> <p>Based on interviews and a review of documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>		
100	Water Services	Each bill must contain	Priority: 4	Control adequacy: A	Compliance rating: 1

Obligation no.	Obligation reference	Obligation description	Observation and findings		
	Code of Conduct (Customer Service Standards) 2018 Clause 13(1)	the prescribed information.	<p>Through interviews with the Manager Policy & Compliance and a review of one (1) sample bill, we noted that the following information is included on the sample bill in line with clause 13(1) of the Water Services Code of Conduct (Customer Service Standards) 2018:</p> <ul style="list-style-type: none"> • The customer's name; • The account number; • The address of the place in respect of which the water service is provided; • Any other address nominated by the customer for the sending of bills; • The day on which the bill is issued; • The charge payable; • The water service for which the charge is payable; • The date when payment is due; • The nature and amount of any applicable concession; • The amount of any interest or fees charged for late payment of amounts outstanding from previous bills; • The amount of any arrears or credit standing to the customer's name; • The options for payment that are available to the customer; • If applicable, a statement advising the customer that interest, or fees may be charged for late payment of the bill; and • A statement advising the customer that the licensee can be contacted for assistance if the customer is experiencing problems paying the bill. <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
100A	Water Services	A bill issued for 2 or	Priority: 2	Control adequacy: B	Compliance rating: 2

Obligation no.	Obligation reference	Obligation description	Observation and findings		
	Code of Conduct (Customer Service Standards) 2018 Clause 13(3)	more water services must specify the charge payable for each water service.	<p>Through interviews with the Manager Policy & Compliance and review of 10 sample bills which were issued for two (2) or more services, we noted that each bill clearly specified the charge payable for each water service.</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24. During the 2022 Operational Audit, instances were noted where bills issued for two (2) or more services did not specify the charge payable for each water service.</p> <p>This non-compliance occurred because the Grange system had not been configured to display the required information for each water service under the compliance obligation.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that the billing template has been updated to clearly include charges for each water service when two or more services are provided.</p> <p>Based on interviews and a review of documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>		
101	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 13(4)	Each bill for usage for a metered water service must contain the specified information.	Priority: 1	Control adequacy: B	Compliance rating: 2
			<p>Through interviews with the Manager Policy & Compliance and a review of 15 sampled bills, we noted that the bills contained the following information:</p> <p>(a) whether the bill was based on –</p> <p>(i) a meter reading; or</p> <p>(ii) an estimate of the quantity of water supplied or the quantity of wastewater discharged;</p> <p>(b) the billing period;</p> <p>(c) the number of days to which the bill applies;</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings
			<p>(d) the two (2) most recent dates on which the quantity of water supplied or the quantity of wastewater discharged was ascertained, whether by a meter reading or an estimate;</p> <p>(e) if the bill was based on a meter reading –</p> <p>(i) the actual meter reading; and</p> <p>(ii) the total quantity of water supplied or the quantity of wastewater discharged according to the meter reading;</p> <p>(f) if the bill was based on an estimate, the total quantity of water supplied or the quantity of wastewater discharged according to the estimate;</p> <p>(g) wherever applicable, information about the customer's water usage in the billing period compared with the customer's water usage –</p> <p>(i) in the previous billing period; and</p> <p>(ii) in the corresponding billing period in the previous year.</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2022-23. During the 2022 Operational Audit, it was identified that for 740 properties in Denham with multiple meters, the bills did not specify usage for each water service type (Desalinated and Saline), displaying only saline usage.</p> <p>This non-compliance occurred because the Grange system had not been configured to display the required information under the compliance obligation.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that the Grange system and the billing template have been updated to ensure compliance with the obligation.</p> <p>Based on interviews and a review of documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>

Obligation no.	Obligation reference	Obligation description	Observation and findings		
101A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 13(5)	If a bill for usage for a metered water service was based on an estimate, the bill must inform the customer that the licensee will tell the customer the prescribed information on request.	Priority: 2	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the standard "<i>S308 Estimating and Projecting Water Use</i>," we noted that the Water Corporation has a procedure for the calculation of bills based on estimates and projections.</p> <p>Additionally, upon review of 10 sampled bills generated based on an estimate, we noted that the bills included the following information in accordance with clause 13 (5) of the Water Services Code of Conduct (Customer Service Standards) 2018:</p> <ul style="list-style-type: none"> • The basis of the estimate; and • The reason for the estimate. <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
102A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 13(6)	Each bill must contain the prescribed information.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of one (1) sample bill, we noted that the following information is included on the sample bill in accordance with clause 13(6) of the Water Services Code of Conduct (Customer Service Standards) 2018:</p> <ul style="list-style-type: none"> • The licensee's website address; • A telephone number for account, payment and general enquiries; • A telephone number for complaints; • A Free call telephone number for the office of the water services Ombudsman; • The telephone number of the 24 hour information line provided in accordance with clause 45; • Contact details for account, payment and general enquiries for use by customers with hearing or speech impairment; • For a residential customer, the telephone number for interpreter services together with the National Interpreter Symbol and the words "<i>Interpreter Services</i>"; 		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<ul style="list-style-type: none"> A statement that the website contains information about estimates, meter reading and testing, complaints and a review; and A statement that the bill can be reviewed in accordance with the licensee's review procedure mentioned in clause 20. <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
103	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 14(1)	If a bill is based on an estimate, the licensee must tell the customer on request the basis of the estimate and the reason for the estimate.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and based on a review of one (1) sample bill, we noted that the estimated bill template by default contains a statement that details the basis of the estimate and the rationale behind the estimated charges in accordance with clause 14(1) of the Water Services Code of Conduct (Customer Service Standards), 2018.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
104	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 14(2)	If a bill is based on an estimate, the licensee must make any adjustments to the next bill to take into account the extent to which the estimate was not reasonable having regard to a subsequent and accurate meter reading.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the Water Corporation website page "Estimated meter reads" (https://www.watercorporation.com.au/Help-and-advice/Bill-and-account/Water-meters/Estimated-meter-reads), we noted that in cases of estimated readings, the following procedure is followed:</p> <ul style="list-style-type: none"> If the reading submitted by the customer is lower than the Water Corporation's estimate, the customer will receive an Advice of Adjustment informing them of the revised charges. The Advice of Adjustment is not a bill; but rather, a summary of the updated charges. If the reading submitted by the customer is higher than the Water Corporation's estimate, the additional water use is included in the customer's next bill. 		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>Upon review of one (1) sample bill, we noted that the Water Corporation, in accordance with clause 14(2), corrected the subsequent bill to accurately reflect any discrepancies in the previous estimate. Furthermore, the customer received a detailed adjustment notice for the period, including the total amount and a breakdown of the adjusted charges.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
104A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 15(3)	Each bill for usage to which clause 15 applies must, in addition to the requirements of clause 13, contain the prescribed information.	Priority: 1	Control adequacy: B	Compliance rating: 2
			<p>Through interviews with the Manager Policy & Compliance and a review of 15 sampled bills, we noted that the bills contain the following information:</p> <ul style="list-style-type: none"> • The tariff for each volumetric range within which water has been supplied to the customer; • How much more water can the customer be supplied with before supply will start to be in the next volumetric range; • The tariff for the next volumetric range; and • The month in which the tariff for water supplied to the customer will revert to the lowest tariff (i.e. the month in which the customer's next consumption year starts). <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24 because customer bills referenced the 'month'—not the 'day'—when the tariff would reset. It is not feasible to predict 12 months in advance the exact day the final meter reading of the year will occur, which is when the tariff resets, resulting in a breach of this obligation.</p> <p>Upon review of 15 sampled customer bills, we noted that they do not specify the day when the tariff for water supplied to the customer will revert to the lowest tariff, marking the start of the customer's next</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>consumption year.</p> <p>We noted that an amendment to the Water Services Code of Conduct (Customer Service Standards) 2024, effective from 1 July 2024, now stipulates 'the day on which, or the month during which, the customer's next consumption year starts,' which is the point when the tariff for water supplied to the customer will revert to the lowest tariff.</p> <p>Based on interviews and a review of the documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>		
105	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 16(1)	The licensee must provide to the customer on request a meter reading and a bill (or revised bill if applicable) for outstanding charges outside of the usual bill cycle, or in case the customer disputes an estimate.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of "S308 Estimating and Projecting Water Use" as well as the Water Corporation's website section "Apply for a meter reading" (https://www.watercorporation.com.au/home/business/property-and-settlement-agents/apply-for-a-meter-reading), we noted that property managers can log in to the Online Special Meter Request (SMR) facility and complete the online form to request a special meter reading. Additionally, owners, tenants, and property managers may call the Water Corporation to request a reading. The Contact Centre will then input the reading into the Special Meter Reading (SMR) E-Form. The Conveyance Team will verify the details provided in the E-Form against the Grange account details and mark the E-Form as completed. At the end of the day, an SMR file is generated and uploaded to the Grange System.</p> <p>Normal and urgent reads are typically completed within five and two business days, respectively. After the reading is taken, a Special Meter Reading Certificate is issued to the customer. Customers may also request a meter read for a 'specific' date.</p> <p>Upon review of one (1) sample bill, we noted that the Water Corporation provided a special meter reading and bill to determine the outstanding charges for a period different from the usual billing cycle, which included the adjusted charges.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			period.		
106	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 17(2) & (3)	The licensee must have a written policy, standard or set of guidelines (available on the licensee's website and a hardcopy provided to a customer upon request at no charge) in relation to granting a discount to a customer whose meter reading indicates a water usage that is higher than normal for the customer but is likely to have been wasted because of a leak from the customer's system.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the Water Corporation's website sections "<i>Customer & Service Commitments - Leak Allowances</i>" (https://www.watercorporation.com.au/About-us/Our-commitments/Customer-and-service-commitments) and "<i>How to Apply for a Leak Allowance</i>" (https://www.watercorporation.com.au/Help-and-advice/Water-issues/Leaks/Leak-allowance-and-rebates), we noted that information pertaining to leak allowances is publicly accessible. The latest version of the "<i>Leak Allowance Policy</i>," updated in is available for direct download on the website. We also noted that this policy was recently updated in July 2024. This policy outlines the eligibility criteria for receiving a leak allowance and includes a detailed guide on the application process.</p> <p>Upon confirmation with the Manager Policy & Compliance, we noted that the Water Corporation did not receive any hard copy requests for this document during the audit period.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
107	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 18(2)	The licensee cannot recover an undercharged amount from a customer unless it is for water services provided in the 12-month period ending on	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the Water Corporation's Standards "<i>S307: Retrospective Adjustment of Service Charges</i>," and "<i>S319 Retrospective Adjustment of Water Use Charges</i>," we noted that the Water Corporation has authority to invoice for undercharged amounts pertaining to a period of up to 12 months preceding the date on which the customer is informed</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		the day on which the licensee informed the customer of the undercharging.	<p>of the undercharge.</p> <p>Upon review of one (1) sample bill, we found that the Water Corporation recovered an undercharged amount for water services provided during a two-month period that ended on the day the licensee informed the customer of the undercharging.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
108	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 18(3)	An undercharged amount must be the subject of, and explained in, a special bill or a separate item in the next bill.	Priority: 4	Control adequacy: B	Compliance rating: 2
			<p>Through interviews with the Manager Policy & Compliance and a review of the "S319 <i>Retrospective Adjustment of Water Use Charges</i>" standard, we noted that the Water Corporation has a written procedure for the presentation of the undercharged amount, which states that any debit adjustment must be included as and explained in either a special bill or as a separate item in the next bill.</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2023-24. In January 2024, it was identified that bills were not being issued to customers who had opted for electronic bill delivery when a permanent intercept had been applied to their accounts.</p> <p>Bill intercepts are used in case management of customer accounts for a variety of reasons, such as when the Water Corporation wishes to review a bill prior to its release to the customer. This review may be necessary to make adjustments before issuing the bill or to intercept very large bills to prevent bill shock, allowing for customer interaction before the bill is released.</p> <p>This breach occurred because the intercepts were not properly reviewed resulting in bills not being released to customers. This impacted 97 (23%) out of 421 accounts where the customer bills did not include the undercharge amount as a separate item.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that in February 2024,</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>permanent bill intercepts were removed from accounts. The Grange system rules were reviewed and enhanced, and reporting was developed to improve the management of intercepts. There has been no further non-compliance since the enhancement of the Grange system rules in February 2024.</p> <p>Additionally, training and feedback were provided to the relevant billing teams to ensure they understood the importance of monitoring and releasing accounts. Starting from March 2024, electronic intercepts have been regularly monitored to prevent future instances of a breach.</p> <p>Upon review of 10 sampled undercharged invoices, we noted that the undercharged amounts are appropriately explained in accordance with clause 18(3) of the Water Services Code of Conduct (Customer Service Standards) 2018.</p> <p>Based on interviews and a review of the documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>		
109	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 18(4)	The licensee must not charge interest or late payment fees on an undercharged amount.	Priority: 2	Control adequacy: B	Compliance rating: 2
			<p>Through interviews with the Manager Policy & Compliance and a review of the standard "S307 Retrospective Adjustment of Service Charges" and "S319 Retrospective Adjustment Of Water Use Charges," we noted that the Water Corporation has a written procedure related to treatment of interest on the undercharged amount, which says that the Water Corporation "<i>Must not charge interest or late payment fees on the undercharged amount until the due date specified on the bill or the final payment date under a repayment plan.</i>"</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2022-23 and 2023-24. During the 2022 Operational Audit, it was identified that three (3) undercharged accounts had accrued interest or late payment fees after the bill for the adjusted charge became overdue.</p> <p>This non-compliance occurred because the Grange system was not configured to restrict the interest or late payment fees on the undercharged amount and interest/late payment fees were levied after the due</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>date.</p> <p>Upon review of 10 sampled customers, we noted that in one (1) instance, interest was charged on the total amount, including the undercharge.</p> <p>We further noted that the Water Services Code of Conduct (Customer Service Standards) 2024 has introduced a new obligation from 1 July 2024. This inclusion will allow the Water Corporation to charge interest on undercharged amounts in instances where the customer has failed to pay the undercharged amount by the due date and does not enter a repayment plan. This change aligns with the Water Corporation's current process, which will enable compliance from 1 July 2024.</p> <p>Based on interviews and a review of the documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>		
110	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 18(5)	The licensee must allow a customer to pay an undercharged amount by way of a repayment plan that has effect for the duration of the shorter of the prescribed periods starting on the day that the bill in clause 18(3) is issued.	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Manager Policy & Compliance and a review of the standards "S307 <i>Retrospective Adjustment of Service Charges</i>" and "S319 <i>Retrospective Adjustment of Water Use Charges</i>," we noted that the Water Corporation must allow the customer to pay the undercharged amount through a repayment plan. The duration of the repayment plan should be the shorter of the following periods, starting on the day the bill mentioned in subclause (3)(a) or (b) is issued, as applicable:</p> <ul style="list-style-type: none"> • A period equal to the duration of the undercharging; and • A period of 12 months. <p>However, according to the Manager Policy & Compliance, it was determined that during the audit period, there was no instance where a customer entered a repayment plan for undercharged amounts.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
111A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 19(2)	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.	Priority: 1	Control adequacy: B	Compliance rating: 2
			<p>Through interviews with the Manager Policy & Compliance and a review of the standard "S307 Retrospective Adjustment of Service Charges" and "S319 Retrospective Adjustment of Water Use Charges", we noted that the Water Corporation has a written procedure regarding the treatment of overcharges, stating that <i>"Any credit adjustments must be applied within 15 business days starting on the day, the Water Corporation became aware of the overcharging. Action must be completed before the end of required days."</i></p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24. During the 2022 Operational Audit, it was identified that the Water Corporation did not comply with the 15-business day timeframe for notifying customers about the outcome of a review that resulted in an overcharge.</p> <p>On 31 December 2023, the Water Corporation implemented a new process that clearly distinguished between a 'review bill' and an 'overcharge'. This change enabled distinct reporting for each process for the first time. Therefore, the Water Corporation was unable to accurately report on overcharges prior to 31 December 2023.</p> <p>Out of the 13,869 overcharges reported between 1 January 2024, and 30 June 2024, the Water Corporation recorded 100 breaches (0.72%) of the 15-business day key performance indicator (KPI).</p> <p>We noted that these breaches were primarily due to human error and oversight.</p> <p>Upon review of 15 sampled overcharge instances, we noted that customers have been informed within 15 days of the Water Corporation becoming aware of an overcharge amount.</p> <p>Based on interviews and a review of the documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
112A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 19(3)	If the licensee sends the customer an overcharging notice and receives instructions from the customer about the refunding or crediting of the overcharged amount, the licensee must refund the overcharged amount, or credit the overcharged amount to the customer's account within 15 business days of the licensee receiving the instructions.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the standards "S307 Retrospective Adjustment of Service Charges" and "S319 Retrospective Adjustment of Water Use Charges," we noted that the standards state the following:</p> <ul style="list-style-type: none"> Any credit adjustments must be applied within 15 business days starting on the day the Water Corporation becomes aware of the overcharging. The action must be completed before the end of the required number of days; The Water Corporation must immediately notify the customer of the credit and recommend options on how the overcharged amount can be refunded or credited to the account. <p>Upon review of one (1) sample customer refund request received, we noted that the Water Corporation provided the refund application form to the customer on 30 May 2024, which the customer completed and returned on 31 May 2024, leading to the processing of the refund in the customer's bank account on 4 June 2024.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
112B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 19(4)	If instructions from the customer about the refunding or crediting of the overcharged amount have not been received by the licensee at the end of the period of 10 business days starting on the day an overcharging notice is	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the procedure "Review Bill Procedure," we noted that in the case of an overcharge, the Water Corporation must, before the end of the period of 15 business days starting on the day that it became aware of the overcharging:</p> <ul style="list-style-type: none"> Credit the overcharged amount to the customer's account; or Send the customer an overcharging notice informing them of the overcharging and presenting options on how the overcharged amount may be refunded to them or credited to their account. <p>Upon review of one (1) sample bill with an overcharge, we noted that the overcharged amount was credited</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		sent, the licensee must credit the overcharged amount to the customer's account before the end of the period of the next 15 business days.	<p>to the customer's account and a special bill was sent to the customer regarding the reversal of the overcharged amount.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
112C	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 19(5)	The licensee must notify the customer immediately after crediting the overcharged amount to the customer's account under subclause (2)(a), (3) or (4).	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the procedure "S319 <i>Retrospective Adjustment of Water Use Charges</i>," we noted that the procedure documents state that any overcharged amount should be automatically credited to the customer's account. On the day the adjustment is made, the customer is notified about the credited amount and provided with instructions on how to request a refund online.</p> <p>Additionally, the Water Corporation will follow any further instructions from the customer in line with the Customer Service Standards.</p> <p>Upon review of one (1) sample bill of overcharge, we noted that the overcharged amount was credited to the customer's account and a special bill was sent to the customer regarding the reversal of the overcharged amount.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
113	Water Services Code of Conduct (Customer Service Standards) 2018	The licensee must review a bill on the customer's request.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the "<i>Review Bill Procedure</i>" available on the Water Corporation's website, we noted that the Water Corporation has a written procedure</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
	Clause 20(1)		<p>to review a bill upon the customer's request.</p> <p>Upon review of one (1) sample bill, we noted that the Water Corporation, responding to a customer's inquiry about differing discharge factor percentages between two comparable properties, reassessed the bill and provided a detailed explanation. The customer was informed about the adjustments, and a revised bill with updated charges was issued.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
114	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 20(2)	The license must have a written procedure for the review of a bill on the customer's request.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance, a review of the "<i>Customer Review Bill Procedure</i>" document, and an examination of the Water Corporation's website (https://www.watercorporation.com.au/About-us/Our-commitments/Customer-and-service-commitments) for "<i>Customer & Service Commitments - Review of Bills</i>", we noted that the Water Corporation has a written procedure for the review of bills upon a customer's request.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
115	Water Services Code of Conduct (Customer Service Standards) 2018 Clauses 20(3) & (6)	The review procedure in clause 20(2) must include the specified information and be available on the licensee's website and a hardcopy provided to a customer upon request at no charge.	Priority: 4	Control adequacy: B	Compliance rating: 2
			<p>Through interviews with the Manager Policy & Compliance and a review of the Water Corporation's website, we noted that the process for reviewing bills is outlined on the website. The document "<i>Review Bill Procedure</i>," available on the website, details the following points:</p> <ul style="list-style-type: none"> Initiating a request for a meter reading or the testing of a meter, as stipulated in Clause 49(2)(c) and (d); Procedures followed if a review reveals an undercharge or overcharge to the customer's account; 		

Obligation no.	Obligation reference	Obligation description	Observation and findings
			<p>and</p> <ul style="list-style-type: none"> Options available to the customer should they wish to contest the conclusion of the billing review. <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the 2023-24 Annual Compliance Report due to deficiencies in their "Review Bill Procedure" and website information, which did not fully meet the requirements of Clause 20(3). The Water Corporation's readiness audit, also known as a 'pre-audit,' performed in 2023 highlighted that:</p> <ul style="list-style-type: none"> The Review Bill Procedure did not clearly reference the customer's ability to request a meter reading in the event that they dispute an estimate; and The Customer & service commitments webpage did not specifically advise what the customer can do if unsatisfied with the outcome of the review. <p>On 30 June 2024, the Water Corporation published a new "Review Bill Procedure" on their website and updated internal control documentation to explicitly meet the requirements of Clauses 20(3) and (6), including:</p> <ul style="list-style-type: none"> Clear instructions for requesting a meter reading when disputing an estimate. Specific guidance for customers unsatisfied with the review outcome. Information on obtaining a hard copy of the "Review Bill Procedure" at no cost. <p>We noted that in the 2023-24 Annual Compliance Report, the Water Corporation confirmed that a new control has been implemented to ensure that any future updates to control documentation and website content undergo a compliance review before publication to maintain conformity. Additionally, the updated "Review Bill Procedure" now adequately covers all contents required under Clause 20(3) of the Water Services Code of Conduct (Customer Service Standards) 2018.</p> <p>Based on interviews and a review of the documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>

Obligation no.	Obligation reference	Obligation description	Observation and findings		
116	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 20(4)	The review procedure must state that the customer may, but does not have to, use the licensee's complaints procedure mentioned in clause 46 before or instead of applying to the water services Ombudsman or, if available, making an appeal from, or applying for a review of, the decision under regulations mentioned in section 222(2)(k) of the Act.	Priority: 4	Control adequacy: B	Compliance rating: 2
			<p>Through interviews with the Manager Policy & Compliance and a review of the "Review Bill Procedure" document, we noted that the section on "Our Commitment" states: The customer may, but is not required to, use the Water Corporation's complaints procedure mentioned in clause 46 of the Water Services Code of Conduct (Customer Service Standards) 2018, before or instead of:</p> <ul style="list-style-type: none"> Applying to the water services Ombudsman in respect of the customer's complaint; or Making an appeal from, or applying for a review of, the decision that gave rise to the customer's request for review. <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2023-24, as the 2023 pre-audit identified that the Review Bill Procedure did not fully comply with the requirements of Clause 20(4). The procedure contradicted the Customer Service Code's stipulation that customers should be informed of their right to choose whether to use the Water Corporation's complaints procedure before or instead of applying to the Ombudsman.</p> <p>On 30 June 2024, the Water Corporation published an updated "Review Bill Procedure" on their website and updated internal control documentation to explicitly meet the requirements of Clause 20(4).</p> <p>Additionally, a control has been established whereby any future revisions to the control documentation and website content must undergo a compliance review before publication to ensure ongoing conformity.</p> <p>It was confirmed that the Bill Review Procedure now adequately covers the items required by Clause 20(4) of the Water Services Code of Conduct (Customer Service Standards) 2018.</p> <p>Based on interviews and a review of the documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>		
117	Water Services	The licensee must	Priority: 2	Control adequacy: C	Compliance rating: 2

Obligation no.	Obligation reference	Obligation description	Observation and findings		
	Code of Conduct (Customer Service Standards) 2018 Clause 20(5)	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.	<p>Through interviews with the Manager Policy & Compliance and a review of the "<i>Procedure for Processing External Customer Enquiries and Complaints</i>," we noted that the Water Corporation has a written procedure for handling complaints, which states that "<i>Complaints must be resolved as soon as possible, but no later than 15 business days from the date of receipt.</i>"</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24 due to instances where bill reviews could not be completed within 15 business days:</p> <ul style="list-style-type: none"> • In 2022-23, out of 15,265 bill reviews, 628 instances (4.11%) exceeded the 15 business days timeframe. • In 2023-24, of the 9,174 bill reviews, 354 instances (3.86%) were not completed within 15 business days. <p>In cases where the bill review could not be finalised, an interim response was provided to the customer within 15 business days. The delays were primarily due to the need for inspections of remote properties or inaccessible locations.</p> <p>We have noted that the timeframe has been extended from 15 days to 20 days with the implementation of the new Water Services Code of Conduct (Customer Service Standards) 2024.</p> <p>Upon review of 10 sampled bill review requests, we noted that the bill review was completed within 15 business days of receiving the customer's request.</p> <p>Based on interviews and a review of documents, it was concluded that there were inadequate controls with significant improvement needed, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>		
117A	Water Services Code of Conduct (Customer Service	The licensee must notify each of its customers of any change to the amount	Priority: 1	Control adequacy: B	Compliance rating: 2
			Through interviews with the Manager Policy & Compliance, and a review of the policy " <i>PCY321 Bill Customer</i> ", we noted that it contains the items to be included on the bills and procedures related to any		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
	Standards) 2018 Clause 21	or rate of a water service charge in accordance with the requirements in clause 21(2).	<p>change in charges.</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2022-23 and 2023-24. During the 2022 Operational Audit, it was identified that bills issued for water service charges did not include annual changes to the amount or rate.</p> <p>This non-compliance had occurred because the Grange system was not configured to provide information as required under the compliance obligation.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that Grange system changes, that include a prescriptive bill message, were deployed into production in April 2024. The bill message will apply to all bills that have a service charge component issued between 1 July and 31 August each financial year.</p> <p>Upon review of 15 sampled customer bills, we noted that bills issued before April 2024 did not include the information required under clause 21(2) of the Water Services Code of Conduct (Customer Service Standards) 2018.</p> <p>We noted that since the Grange system rules changed in April 2024, the information required under clause 21(2) of the Water Services Code of Conduct (Customer Service Standards) 2018 is included.</p> <p>Based on interviews and a review of the documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>		
118	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 23	The time set by the licensee for the payment of a bill must be after 14 days from when the bill is issued.	Priority: 2	Control adequacy: B	Compliance rating: 2
			<p>Through interviews with the Manager Policy & Compliance and a review of the policy "<i>PCY321 Bill Customer</i>", we noted that the time set by the Water Corporation for the payment of a bill must be set after 14 days from when the bill is issued.</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24, where instances of bill payment terms being less than 14</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>days were identified as follows:</p> <ol style="list-style-type: none"> 2022-23: The 2022 Operational Audit noted three (3) instances where billing terms were shorter than 14 days due to a system error. 2023-24: <ul style="list-style-type: none"> On December 4, 2023, e-billing customers did not receive email notifications for new bills, specifically when the notification included more than five bills. In January 2024, customers who had chosen electronic bill delivery did not receive bills when a permanent intercept was placed on their accounts for verification purposes. Additionally, in the same month, three breaches involving special meter reading requests from December 2023 were identified, each with an incorrect due date of one (1) day. In June 2024, a system issue caused customers to receive bills with due dates that coincided with the issue dates. This issue impacted a total of 237 customers during the Audit period. <p>The Water Corporation issues approximately 7.8 million customer bills every year. We noted that in the Annual Compliance Report, the Water Corporation confirmed that improvements to the Grange system now ensure that at least 14 days are provided as the payment term for each customer bill. Furthermore, new reporting measures have been developed to monitor instances where an account's due date is less than 16 days from the issue date.</p> <p>Upon review of 10 sampled customer bills, we noted that the payment due dates are set for 14 days or more after the bill issue date.</p> <p>Based on interviews and a review of the documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>		
119	Water Services	The licensee must allow	Priority: 4	Control adequacy: A	Compliance rating: 1

Obligation no.	Obligation reference	Obligation description	Observation and findings		
	Code of Conduct (Customer Service Standards) 2018 Clause 24(1)	a customer to pay a bill using any of the prescribed methods selected by the customer.	<p>Through interviews with the Manager Policy and Compliance and a review of the Water Corporation website (https://www.watercorporation.com.au/Help-and-advice/Bill-and-account/Payments/Ways-to-pay-your-bill), we noted that residential customers have the following available options to pay their bill:</p> <ul style="list-style-type: none"> • Centrepay, which enables automatic deductions from Centrelink payments; • Internet payments; • Telephone payments; and • Postal payments. <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
120	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 24(2)	The licensee must, when offering bill payment method options, inform the customer of the fees and charges (if any) associated with each bill payment method offered.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the section "<i>Ways to Pay Your Bill</i>" on the Water Corporation's website (https://www.watercorporation.com.au/Help-and-advice/Bill-and-account/Payments/Ways-to-pay-your-bill), we noted that the Water Corporation provides customers with a variety of payment methods, which include:</p> <ul style="list-style-type: none"> • Pay Online • BPAY • Direct Debit • Telephone (via Credit Cards - charges applicable) • Australia Post • Electronic Fund Transfer for businesses <p>Upon review of one (1) sample bill, we noted that it also lists these payment options and informs the customer of additional charges for credit card payments.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
121	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 25(1)	Before receiving a bill payment by direct debit, the licensee must obtain the express consent of the customer or of an adult person nominated by the customer to give consent.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the process document "<i>Direct Debits - Guru Contact Centre</i>," we noted that the document includes a script used by contact centre agents during calls regarding direct debits. The script is designed to ensure that contact centre agents obtain the customer's express consent to set up direct debits during call interactions.</p> <p>Upon review of one (1) sample call from 6 February 2024, we noted that the Water Corporation contact centre agents adhered to the script and successfully obtained the customer's express consent for a direct debit arrangement.</p> <p>Additionally, after examining a screenshot from the customer contact centre system and the Grange system, we confirmed that the customer was notified of the direct debit setup on 12 February 2024.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
122	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 26(1)	The licensee must accept payment in advance from a customer on a customer's request.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of one (1) sample bill, we noted that the Water Corporation accepts advance payments.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
123	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 27	The licensee must on request and at no charge redirect a customer's bills because of the customer's absence or	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy and Compliance and a review of the policy "<i>Financial Hardship Policy for Water Services July 2020</i>" available on the Water Corporation website (https://www.watercorporation.com.au/About-us/Our-commitments/Financial-hardship), we noted that the publicly available policy mentions that customers can nominate to have their bill redirected at no</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		illness.	<p>charge to a third party or an alternative postal address.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
124A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 28(2)	The licensee must advise a customer who has been assessed as experiencing payment difficulties that they have a right to pay the bill under a payment plan or other arrangement under which the customer is given more time to pay the bill or arrears, and the licensee must offer to enter into an appropriate plan or arrangement with the customer.	Priority: 2	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the "S391 <i>Payment Difficulties and Debt Recovery Authorisations</i>", we noted that the Water Corporation has a standard which states that customers who are unable to pay their accounts are encouraged to engage with the Water Corporation to arrange an alternative method of payment.</p> <p>Also, the section "Help with paying your bill" on the Water Corporation's website (https://www.watercorporation.com.au/Help-and-advice/Bill-and-account/Billing/Help-with-paying-your-bill) mentions multiple ways by which customers can get support to pay their bills.</p> <p>Upon review of 10 sampled calls between the Water Corporation and customers related to payment arrangements, we noted that the customers requested payment extensions or direct debit facilities. These requests were fulfilled, and the customers were provided with appropriate information about the terms and conditions related to the facilities offered.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
124B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 28(3)	When formulating a payment plan or other arrangement for a customer that the licensee has assessed as experiencing	Priority: 2	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the "S391 <i>Payment Difficulties and Debt Recovery Authorisations</i>", we noted that the Water Corporation has a standard which states that customers who are unable to pay their accounts are encouraged to engage with the Water Corporation to arrange an alternative method of payment.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		payment difficulties, the licensee must take the customer's capacity to pay the bill into account. In the case of a bill for usage, the licensee must also take into account how much water has been supplied or wastewater has been discharged in previous billing periods.	<p>Also, the section "Help with paying your bill" on the Water Corporation's website (https://www.watercorporation.com.au/Help-and-advice/Bill-and-account/Billing/Help-with-paying-your-bill) mentions multiple ways by which customers get support to pay their bills.</p> <p>Upon review of 10 sampled calls between the Water Corporation and the customers related to payment arrangement, we noted that the customers requested payment extensions or direct debit facilities. Where applicable, Water Corporation contact centre agents assessed the customers' situations and their capacity to pay, depending on their financial conditions, and suggested appropriate timelines and amounts that could suit the customers' needs.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
124C	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 28(4)	The licensee must consider and decide whether or not the payment plan or other arrangement for a customer who has been assessed as experiencing payment difficulties should be interest-free, or fee-free, or both.	Priority: 2	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the "S391 <i>Payment Difficulties and Debt Recovery Authorisations</i>", we noted that the Water Corporation has a standard which states that customers who are unable to pay their accounts are encouraged to engage with the Water Corporation to arrange an alternative method of payment. Specifically, section "5.2 <i>Payment Arrangement Types</i>" of the standard introduces the "Standard Payment Arrangement", which is "Interest Exempt". This arrangement allows for the payment of a charge after the due date and prevents further interest charges from accruing on overdue balances. It is available to all owner-occupied residential property accounts, as well as absent owner residential and non-residential accounts.</p> <p>Upon review of 10 sampled calls between the Water Corporation and customers related to payment arrangements, we noted that the customers requested payment extensions or direct debit facilities, services of which they were already aware. In accordance with clause 28(4), the Water Corporation informed the customers that the arrangements provided to them would be interest-free for the duration of the payment plan.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.		
125	Water Services Code of Conduct (Customer Service Standards) 2018 Clauses 29(1) & (2) Clauses 4.1.1 and Schedule 3, clause 1.1.1	The licensee must have a written policy in relation to financial hardship that is approved by the ERA.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the "<i>Financial Hardship Policy for Water Services</i>", we noted that the Water Corporation has a Financial Hardship Policy, which was approved and published by the ERA on 9 November 2023.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
126A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(3)	Unless the ERA approves otherwise, the licensee's financial hardship policy must comply with the ERA's guidelines (if any) in relation to financial hardship policies.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the "<i>Financial Hardship Policy Guidelines for Water Services</i>" published by the ERA, as well as the revised "<i>Financial Hardship Policy for Water Services</i>," we found that the updated policy includes all the mandated content outlined in the guidelines.</p> <p>Furthermore, the ERA, in its endorsement, acknowledged that the Water Corporation's updated policy complies with the stipulations of the Code and aligns with the ERA's "<i>Financial Hardship Policy Guidelines</i>"</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>for Water Licences dated June 2018.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
126B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(4)	Unless the ERA approves otherwise, amendments to the licensee's financial hardship policy must be approved by the ERA and comply with the ERA's guidelines (if any) in relation to financial hardship policies.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the approval given by ERA on 9 November 2023, we noted that the Water Corporation had conducted the five yearly reviews of its financial hardship policy, required by clause 29(7) of the Code, and made amendments to clarify how customers experiencing financial hardship can expect to be treated. We noted that this amendment was approved by the ERA.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
128	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(6)	The licensee's financial hardship policy must be available on the licensee's website and a hardcopy provided to a customer upon request at no charge.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the external website (https://www.watercorporation.com.au/About-us/Our-commitments/Financial-hardship), we noted that for customers facing financial hardship, the details of payment arrangements, along with the "<i>Financial Hardship Policy for Water Services</i>", are publicly available on the website.</p> <p>As per confirmation with the Manager Policy & Compliance, we noted that the Water Corporation received one (1) hard copy request for the "<i>Financial Hardship Policy for Water Services</i>", which was provided free of charge.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
129A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(7)	The licensee must review its financial hardship policy at least once in every 5-year period.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the "<i>Financial Hardship Policy for Water Services</i>" along with the ERA's approval documentation, we noted that the Water Corporation updates the policy every five years. The ERA reviews these amendments, with the most recent review occurring on 9 November 2023, for the policy version amended in October 2023. The preceding review was conducted in December 2018.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
129B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(8)	The licensee must review its financial hardship policy if directed to do so by the ERA.	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Manager Policy & Compliance and a review of the "<i>ERA Correspondence Register</i>", we noted that the Water Corporation did not receive any direction from the ERA during the audit period to review the Financial Hardship Policy.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
129C	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(9)	The licensee must consult with relevant consumer organisations when formulating or reviewing its financial hardship policy.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance, we noted that the Water Corporation's "<i>Financial Hardship Policy for Water Services</i>" was appropriately reviewed in consultation with the Western Australian Council of Social Service (WACOSS) and other relevant organisations and was approved by the ERA in accordance with the requirements of Clause 29 of the Code.</p> <p>The policy underwent a review and received approval from the ERA on 9 November 2023. The approved version of the policy is available on the website (https://www.watercorporation.com.au/About-us/Our-commitments/Financial-hardship).</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.		
130A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(2)	The licensee must advise a customer who has been assessed as experiencing financial hardship that they have a right to pay the bill under an interest-free and fee-free payment plan or other arrangement under which the customer is given more time to pay the bill or arrears, and the licensee must offer to enter into an appropriate plan or arrangement with the customer.	Priority: 2	Control adequacy: B	Compliance rating: 2
			<p>Through interviews with the Manager Policy & Compliance and a review of the "S391 <i>Payment Difficulties and Debt Recovery Authorisations</i>," we noted that the Water Corporation has established a standard encouraging customers who are unable to pay their accounts to engage with the Water Corporation to arrange an alternative method of payment. Section "5.2.2 <i>Financial Hardship Arrangements</i>" specifically addresses the options available to customers facing financial hardship. Additionally, the "Help with paying your bill" section on the Water Corporation's website outlines multiple ways customers can receive support to pay their bills.</p> <p>Upon review of 10 sampled calls involving customers facing hardship, we noted that in one (1) instance, the customer was not informed of their right to an interest-free and fee-free payment plan or another arrangement that allows for an extended time to pay the bill or arrears, as required under clause 30(2) of the Water Services Code of Conduct (Customer Service Standards) 2018.</p> <p>Furthermore, the customer did not agree to a payment plan after the call. This instance of non-compliance was attributed to human error and oversight.</p> <p>Based on interviews and a review of the documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>		
130B	Water Services Code of Conduct (Customer Service	When formulating a payment plan or other arrangement for a customer that the	Priority: 2	Control adequacy: A	Compliance rating: 1
			Through interviews with the Manager Policy & Compliance and a review of the "S391 <i>Payment Difficulties and Debt Recovery Authorisations</i> ", we noted that the Water Corporation has a standard which states that		

Obligation no.	Obligation reference	Obligation description	Observation and findings
	Standards) 2018 Clause 30(3)	licensee has assessed as experiencing financial hardship, the licensee must take the customer's capacity to pay the bill into account. In the case of a bill for usage, the licensee must also take into account how much water has been supplied or wastewater has been discharged in previous billing periods.	<p>customers who are unable to pay their accounts are encouraged to engage with the Water Corporation to arrange an alternative method of payment. Section "5.2.2 Financial Hardship arrangements" specifically relates to the options available to customers facing financial hardship. The "Financial Hardship Policy for Water Services" available on the Water Corporation's website (https://www.watercorporation.com.au/Help-and-advice/Bill-and-account/Billing/Help-with-paying-your-bill) lists the options available to hardship customers regarding their bill, such as:</p> <ul style="list-style-type: none"> • Water Assist - Interest-free payment arrangement where the Water Corporation matches payments made by the customer dollar-for-dollar by up to \$150 each month for a two-year term or until the outstanding balance falls below \$50; • Start Over - provides an incentive that encourages regular payments as previous debt does not have to be paid down in the current year; • Hardship Utility Grant Scheme (HUGS) - State Government initiative providing financial assistance to Western Australian utility customers who are in financial hardship and are unable to pay their water, gas or electricity bills; • Extension of due date - extension of the customer's bill due date by 28 days without incurring any interest or overdue charges; • Time Assist - designed to support the customers when their circumstances unexpectedly change. Account is placed on hold for up to three months while they get back on their feet; and • Concessions. <p>Upon review of 10 sampled financial hardship customers, we noted that they were appropriately assessed based on their capacity to pay the bill. Where applicable, in the case of a bill for usage, the Water Corporation considered the amount of water supplied in previous billing periods.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>

Obligation no.	Obligation reference	Obligation description	Observation and findings		
131A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(4)(a)	The licensee must consider reducing the amount owing by the customer.	Priority: 2	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Policy & Compliance Manager and a review of the "S391 <i>Payment Difficulties and Debt Recovery Authorisations</i>," we noted that the Water Corporation has a policy stating that customers who are unable to pay their accounts are encouraged to engage with the Water Corporation to arrange an alternative method of payment. The section "5.2.2 <i>Financial Hardship arrangements</i>" specifically relates to the options available to customers facing financial hardship. The "<i>Financial Hardship Policy for Water Services</i>" available on the Water Corporation's website (https://www.watercorporation.com.au/Help-and-advice/Bill-and-account/Billing/Help-with-paying-your-bill) also lists the options available to hardship customers regarding their bill, such as:</p> <ul style="list-style-type: none"> • Water Assist - an interest-free payment arrangement where the Water Corporation matches payments made by the customer dollar-for-dollar by up to \$150 each month for a two-year term or until the outstanding balance falls below \$50; • Start Over - provides an incentive that encourages regular payments as previous debt does not have to be paid down in the current year; • Hardship Utility Grant Scheme (HUGS) - a State Government initiative providing financial assistance to Western Australian utility customers who are in financial hardship and are unable to pay their water, gas, or electricity bills; • Extension of due date - an extension of the customer's bill due date by 28 days without incurring any interest or overdue charges; • Time Assist - designed to support customers when their circumstances unexpectedly change. The account is placed on hold for up to three months while they get back on their feet; and • Concessions. <p>Upon review of 10 sampled cases related to financial hardship customers, we noted that wherever applicable, the Water Corporation reduced the charges in the form of waivers of interest.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.		
131B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(4)(b)	The licensee must review, upon request, how a customer is paying a bill under clause 30(2) and (3) and revise the payment plan or arrangement if the review indicates the customer is unable to meet the obligations.	Priority: 2	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the "<i>Financial Hardship Policy for Water Services</i>" available on the Water Corporation's website, we noted that the Water Corporation has a process to review or revise payment plans or arrangements, if the review indicates that the customer is unable to meet their obligations.</p> <p>Upon review of 10 sampled requests related to financial hardship customers, we noted that the Water Corporation renegotiated the amounts owed by the customers and revised them to ensure that the customers could meet their obligations.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
131C	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(4)(c)	The licensee must provide the specified written information to a customer.	Priority: 2	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the Water Corporation's website, we noted that the following information is publicly available on the Water Corporation's website:</p> <ul style="list-style-type: none"> • Redirecting the bill free of charge (under the "<i>Financial Hardship Page - Useful Information</i>" section); • Bill payment methods provided by the Water Corporation (under the "<i>Ways to Pay Your Bill</i>" section); • Applying for concessions to which the customer may be entitled (under the "<i>Apply for a Concession</i>" section); • Seeking independent financial counselling or advice from relevant consumer organisations (under the "<i>Help with Paying Your Bill</i>" section); and • Applying for any other financial assistance to which the customer may be entitled, including from government-funded grant schemes (under the "<i>Help with Paying Your Bill</i>" section) 		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p> <p>See below for links to the website:</p> <ul style="list-style-type: none"> Ways to pay your bill: https://www.watercorporation.com.au/Help-and-advice/Bill-and-account/Payments/Ways-to-pay-your-bill Financial hardship: https://www.watercorporation.com.au/About-us/Our-commitments/Financial-hardship Apply for a concession: https://www.watercorporation.com.au/Bill-and-account/Apply-for-a-concession Help with paying your bill: https://www.watercorporation.com.au/Help-and-advice/Bill-and-account/Billing/Help-with-paying-your-bill 		
133	Water Services Code of Conduct (Customer Service Standards) 2018 Clauses 31(4) & (5)	The licensee must have written information regarding the payment schemes and other assistance that is available to customers. The information must be available on the licensee's website and a hardcopy provided to a customer upon request at no charge.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the Water Corporation's website, we noted that for customers facing financial hardship, the details of payment arrangements, along with the document "<i>Financial Hardship Policy for Water Services</i>," are publicly available on the website (https://www.watercorporation.com.au/About-us/Our-commitments/Financial-hardship).</p> <p>As per confirmation with the Manager Policy & Compliance, we noted that the Water Corporation received one (1) hard copy request for the Financial Hardship Policy, which was provided free of charge.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
133A	Water Services Code of Conduct (Customer	The licensee must not charge interest or fees for late payment of a	Priority: 2	Control adequacy: A	Compliance rating: 2
			Through interviews with the Manager Policy & Compliance and a review of the " <i>S391 Payment Difficulties</i>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
	Service Standards) 2018 Clause 32	bill by a customer in the specified circumstances.	<p><i>and Debt Recovery Authorisations</i>", we noted that for customers facing financial hardship, the Water Corporation does not charge any fees or interest as part of the customer's extension or payment plan.</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2022-23 because in one (1) instance (0.05%), a hardship customer was incorrectly charged interest on their bill, out of approximately 2000 hardship customers supported by the Water Corporation every year.</p> <p>This error occurred because the customer's record was not updated to indicate their participation in the hardship program.</p> <p>We noted that the interest charges were credited back to the customer's account to rectify the error.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that the Grange system controls have been implemented to detect instances where hardship customers are charged interest or late payment fees, and no instances of non-compliance with this obligation were found in 2023-24.</p> <p>Our review of 10 sampled customers facing financial hardship confirmed that interest or late payment charges are not imposed on customers covered under clause 32.</p> <p>Based on interviews and a review of the documents, it was concluded that there were adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>		
134	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 33(1)(a)-(c)	The licensee must not commence or continue proceedings to recover a debt from a customer if the customer is complying with a payment plan or other arrangement, is being	Priority: 2	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the standard "<i>S391 Payment Difficulties and Debt Recovery Authorisations</i>", we noted that the Water Corporation has a policy in place which mentions that recovery action is to be withheld where there is:</p> <ul style="list-style-type: none"> • An unresolved dispute on an account; • Customer is experiencing financial difficulty; and 		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		assessed for payment difficulties or is being assessed for financial hardship.	<ul style="list-style-type: none"> A current honoured payment arrangement in place. <p>Upon review of 10 sampled customers facing financial hardship, we noted that wherever applicable, the Water Corporation marked financial hardship customers as exempt from recovery proceedings.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
134A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 33(1)(d)-(e)	The licensee must not commence or continue proceedings to recover a debt from a customer if a complaint made by the customer to the licensee or water services Ombudsman, which directly relates to the water service charge to which the debt relates, is not resolved by the licensee (or is not determined or is upheld by the Ombudsman).	Priority: 2	Control adequacy: B	Compliance rating: 2
			<p>Through interviews with the Manager Policy & Compliance and a review of the standard "S326 Recovery of Overdue Debt", we noted that the Water Corporation has a policy in place stating that recovery action is to be withheld where there is:</p> <ul style="list-style-type: none"> An unresolved dispute on an account; A case of a customer experiencing financial difficulty; and A current honoured payment arrangement in place. <p>Upon review of 10 sampled customer complaints directly related to the water service charge, we noted that in one (1) case, recovery proceedings were initiated for a customer whose complaint was still pending resolution.</p> <p>We noted that this instance of non-compliance occurred due to human error and oversight.</p> <p>Based on interviews and a review of the documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>		
135	Water Services Code of Conduct (Customer	If the licensee has cut off or reduced the rate of flow of water to land	Priority: 2	Control adequacy: A	Compliance rating: 1
			Through interviews with the Manager Policy & Compliance and a review of the procedure "Guru LivePro -		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
	Service Standards) 2018 Clause 40(1)	under section 95(1)(b) of the Act, the licensee must restore the supply of water if the amount owing is paid, or if the customer enters into a payment arrangement for the amount owing that is satisfactory to the licensee.	<p><i>Restriction Action Process</i>," we noted that the Water Corporation has a written procedure for the restoration of water supply to restricted properties, which states that:</p> <ul style="list-style-type: none"> • Restoration of the water supply will occur once the charges have been paid; • Restoration of the water supply to a property is undertaken when the customer enters a satisfactory arrangement for payment of the amount owing; or • Properties that remain restricted for 14 days will automatically have their water supply reinstated to the property after 14 days. At this point, the water service is to be restored to the property and legal action is initiated to recover the outstanding charges. <p>Upon review of 10 sampled events related to the restoration of the water supply, we noted that the water supply was restored for the following reasons:</p> <ul style="list-style-type: none"> • Amount due was paid; • The customer entered a payment arrangement; or • The restriction was automatically lifted within 14 days in accordance with the unrestricting process. <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
136	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 40(2)	If the licensee has, under section 95(1)(a), (c), (d) or (e) of the Act, cut off or reduced the flow of water, the licensee must restore the supply of water if the licensee is satisfied that the reason for the disconnection or reduction no longer	Priority: 2	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the procedure "<i>Guru LivePro - Restriction Action Process</i>," we noted that the Water Corporation has a written procedure for the restoration of water supply to restricted properties, which states that:</p> <ul style="list-style-type: none"> • Restoration of the water supply will occur once the charges have been paid; • Restoration of the water supply to a property is undertaken when the customer enters a satisfactory arrangement for payment of the amount owing; or • Properties that remain restricted for 14 days will automatically have their water supply reinstated to the property after 14 days. At this point, the water service is to be restored to the property and legal 		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		applies.	<p>action is initiated to recover the outstanding charges.</p> <p>Upon review of 10 sampled events related to the restoration of the water supply, we noted that the water supply was restored for the following reasons:</p> <ul style="list-style-type: none"> • Amount due was paid; • The customer entered a payment arrangement; or • The restriction was automatically lifted within 14 days in accordance with the unrestricting process. <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
137A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 36(1)	The licensee must not start a water supply restriction unless the licensee has given the customer a reminder notice (that includes the information specified in clause 35), the water service charge has still not been paid in full, and the licensee has given the customer a restriction notice.	Priority: 4	Control adequacy: C	Compliance rating: 3
			<p>Through interviews with the Manager Policy & Compliance and a review of the "Recovery of Property Debt Restrictions", we noted that the Water Corporation sends a reminder notice for the overdue amount to the customer prior to the restriction notice. The reminder advises the customer:</p> <ul style="list-style-type: none"> • Of the amount of the unpaid water service charge and the date on which it became due; • Of the licensee's telephone number for account inquiries, payments, and general questions; and • That the Water Corporation can be contacted for assistance if the customer is experiencing problems paying the bill for the unpaid water service charge. <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2023-24 as follows:</p> <ul style="list-style-type: none"> • Reminder notices include overdue amounts shown as a single overdue total, which does not provide all details about the amount of the unpaid water service charge and the date on which it became due. Due to the Water Corporation's single ledger billing system, it is not possible to determine which prior bill a customer's unpaid amount relates to. • In April 2024, the Water Corporation analysed historical data on records of restriction notices and 		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>actual restrictions performed on properties, and noted that a system error had occurred in past, which resulted in 176 instances where properties were restricted without having been sent either a restriction notice (172 properties) or a reminder notice (4 properties). Three of these properties did not receive either notice.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that in May 2024, a system fix was implemented, which ensures notices are sent when progressing bulk recovery actions. We also noted that an upgrade of the billing system is scheduled to occur in the future, which should address this issue in the long term.</p> <p>Upon review of 10 sampled cases of restricted customers, we noted that in four (4) instances, the restriction/reminder notice was not provided to customers before the start of the water supply restriction.</p> <p>Based on interviews and a review of documents, it was concluded that there were inadequate controls with significant improvement needed, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a moderate impact on customers or third parties.</p>		
137B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 36(2)	The licensee must not give a customer a restriction notice less than 7 days before the day on which the water supply restriction is proposed to start.	Priority: 4	Control adequacy: C	Compliance rating: 2
			<p>Through interviews with the Manager Policy & Compliance, we noted that reminder notices for overdue amounts are sent to customers prior to the restriction notice. Once an account becomes overdue, prior to commencing this action, the Water Corporation needs to issue the following notices, generated in the Grange system:</p> <ul style="list-style-type: none"> • An SMS is sent seven (7) days after the due date; • An SMS/Email is issued 14 days after the due date; • A voice call is made 21 days after the due date; • A reminder notice is issued 24 days after the due date; and • An Intention to Restrict (ITR) Notice is issued 31 days after the due date and seven (7) days before the 		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>proposed restriction.</p> <p>The compliance obligation was non-compliant as in April 2024, the Water Corporation analysed historical data on records of restriction notices and actual restrictions performed on properties and noted that a system error had occurred in past, which resulted in 176 instances where properties were restricted without having been sent either a restriction notice (172 properties) or a reminder notice (4 properties). Three of these properties did not receive either notice.</p> <p>However, we were informed that a notification card is always sent to the occupier's premises seven (7) days in advance to inform them about the restriction.</p> <p>The Water Corporation confirmed that in May 2024, a system fix was implemented, which ensures notices are sent when progressing bulk recovery actions. We also noted that an upgrade of the billing system is scheduled to occur in the future, which should address this issue in the long term.</p> <p>Our review of 10 sampled restricted customers confirmed, in four (4) cases, the restriction/reminder notice was not provided to customers before the start of the water supply restriction.</p> <p>Based on interviews and a review of documents, it was concluded that there were inadequate controls with significant improvement needed, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>		
137C	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 36(3)	The restriction notice must include the specified information.	Priority: 1	Control adequacy: B	Compliance rating: 2
			<p>Through interviews with the Manager Policy & Compliance, we noted that restriction notices include the following:</p> <ul style="list-style-type: none"> Explains the reason for the proposed water supply restriction; Advises the customer of the earliest date on which the water supply restriction may start; Informs the customer of the existence and operation of the licensee's complaints procedure as mentioned in clause 46; Informs the customer of the procedures for applying to the water services Ombudsman under an 		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>approved scheme in section 65 and provides a Free call telephone number for the office of the Water Services Ombudsman; and</p> <ul style="list-style-type: none"> • Informs the customer of the applicable procedures, including any costs, for the restoration of the water supply if the water supply restriction has started. <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2022-23. During the 2022 Operational Audit, it was identified that the Water Corporation had failed to include the URL for the complaints procedure about water services on the restriction notice, resulting in non-compliance with Clause 36(3)(c).</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that on 27 February 2023, an IT enhancement was implemented to update the restriction notice, ensuring it contained the required URL for the complaint's procedure.</p> <p>On review of 15 sampled restriction notices, we noted that the information required under clause 36(3) was included in the notices.</p> <p>Based on interviews and a review of the documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>		
138	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 37(1)(a)-(e) & (h).	The licensee must not start a water supply restriction if the specified circumstances apply.	Priority: 2	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the procedure "<i>Guru LivePro - Restriction Action Process</i>," we noted that the Water Corporation has a written procedure for restricting water supply to properties, which states that the Water Corporation will not start a water supply restriction if:</p> <ul style="list-style-type: none"> • the amount owing is less than \$200; • the Water Corporation is assessing whether the customer is experiencing payment difficulties; 		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<ul style="list-style-type: none"> the customer is experiencing payment difficulties or financial hardship and is complying with a payment plan or other arrangement under which the customer has been given more time to pay the bill or to pay arrears; a complaint made by the customer to the licensee that directly relates to the water service charge is not resolved; or the supply of water is to a place occupied by a tenant and the customer is liable to pay the amount owed. <p>Upon review of 10 sampled events related to water supply restriction events, we noted that the restriction was not initiated when any of the above reasons applied.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
138A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 37(1)(f)-(g)	The licensee must not start a water supply restriction if the specified circumstances apply.	Priority: 2	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the <i>'Recovery of Property Debt Restriction'</i> procedure, we noted that under Clause 1 Action, the procedure states that:</p> <ul style="list-style-type: none"> Restriction action is not to be taken on customers applying for a concession; and Restriction action is not to be taken if a customer's complaint related to water service charges remains unresolved. <p>Upon review of 10 sampled water supply restriction events, we noted that the restriction was not initiated when any of the above reasons applied.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
138B	Water Services	The licensee must not	Priority: 2	Control adequacy: B	Compliance rating: 2

Obligation no.	Obligation reference	Obligation description	Observation and findings
	Code of Conduct (Customer Service Standards) 2018 Clause 38	start a water supply restriction on or during the specified times.	<p>Through interviews with the Manager Operations Compliance and a review of the "<i>Metro Field Support - Credit Management Actions</i>" work instructions, we noted that the Water Corporation has a process documented to define the sequence of actions necessary to ensure that property visits for Credit Management restriction of supply purposes are carried out in a timely and professional manner.</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2022-23 because the Water Corporation failed to initiate water restrictions within the specified timeframes on 13 (3.25%) occasions during the 2022-23 period and on eight (2%) occasions in the 2023-24 period out of approximately 400 restriction events that occur every year. These breaches occurred when restrictions began after 3 PM or on a Total Fire Ban Day.</p> <p>To address these issues, the Water Corporation has taken the following actions:</p> <ul style="list-style-type: none"> • Attached a standard work instruction (SWI) for work orders as a reminder of legislative requirements for field crews. • Issued communications to field crews reinforcing the new SWI and legislative requirements. • Enhanced performance monitoring of compliance with monthly reviews. <p>Additional measures included the following:</p> <ul style="list-style-type: none"> • Periodic awareness training for Team Leaders and Field Workers. • Monthly compliance reporting to Middle Management and Team Leaders. • In January 2024, a partnership was established with DFES (Department of Fire and Emergency Services) to access Total Fire Ban data, improving monitoring and reporting. <p>We were informed that there has been no further non-compliance following the implementation of the aforementioned measures.</p> <p>Upon review of 10 sampled restriction events, we noted that there were no deviations from the times specified in clause 38.</p> <p>Based on interviews and a review of the documents, it was concluded that there were generally adequate</p>

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.		
139	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 39	The licensee must not, under section 95(1)(b) or (2) of the Act, reduce the rate of flow of water to a customer to below 2.3 litres each minute.	Priority: 4	Control adequacy: B	Compliance rating: 2
			<p>Through interviews with the Team Leader - Metro Field Support and a review of the "<i>Pressure and Flow Exemption Procedure</i>," we noted that the Water Corporation uses an "individual Flow Control Device/s (FCD)" installed inside the water meter to ensure the flow of water is not reduced below 2.3 litres per minute. This relies on the manufactured tolerances of the device and their compliance with contractual specifications.</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2023-24. It was identified that the use of a 2.3-litre-per-minute FCD could potentially restrict the flow rate below the prescribed threshold of 2.3 litres per minute under certain pressure levels, presenting a risk for non-compliance in areas with low water pressure.</p> <p>We understand that a Flow Control Device (FCD) is used for restricting the water supply for customers. The restriction is lifted after a maximum of 14 of days of applying restrictions. We were informed that previously, a 2.3 litre FCD was used for restricting customer accounts.</p> <p>The number of affected customers is unknown and difficult to ascertain, making it challenging to determine whether a property being restricted is experiencing low pressure.</p> <p>The Water Corporation has determined that a 3.5-litre-per-minute FCD is suitable for ensuring compliance with this obligation and has commenced engagement with Stores and Procurement to ensure the FCDs are available. The Water Corporation is discontinuing the use of the 2.3-litre-per-minute FCD in favour of the 3.5-litre-per-minute FCD once they become available.</p> <p>Based on interviews and a review of documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period,</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			resulting in a minor impact on customers or third parties.		
140	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 41(2)	The Water Corporation must restore a water supply to land in the metropolitan region within the specified timeframe, unless the licensee and customer expressly agree otherwise.	Priority: 2	Control adequacy: B	Compliance rating: 2
			<p>Through interviews with the Team Leader - Metro Field Support and a review of the <i>"Metro Field Support - Credit Management Actions,"</i> we noted that the Water Corporation has a documented process for the restoration of water supply for both metropolitan and regional (non-metro) areas. Restoration of supply is coordinated by the Team Leader Metro Field Support and the Officer Metering Services (level 3) and must be carried out within the following guidelines:</p> <ul style="list-style-type: none"> • If the restoration event occurs before 3:30 PM on a business day, restoration of the supply is performed within three (3) hours; • If the restoration event occurs at any other time, restoration of the supply is performed by the next business day; • This is unless the Water Corporation and the customer expressly agree otherwise. <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2023-24, as it failed to restore water supply to a property in the metropolitan area within the specified timeframes on one (1) occasion (0.36%) out of 281 restoration events that occurred during the year. We noted that the property was vacant at the time of restoration, having no impact on the customer. This was due to a failure in the restoration process because of human error and oversight, resulting in the work order not being allocated to the correct team for execution.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that the process has been updated to ensure communication is sent to the relevant team regarding the restoration work order.</p> <p>Review of 10 sampled restoration events confirmed that restoration was performed by the Water Corporation within the defined timeframe.</p> <p>Based on interviews and a review of the documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period,</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			resulting in a minor impact on customers or third parties.		
141	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 41(3)	The Water Corporation must restore a water supply to land outside the metropolitan region within the specified timeframe, unless the licensee and customer expressly agree otherwise.	Priority: 2	Control adequacy: B	Compliance rating: 2
			<p>Through interviews with the Manager Operations Compliance and a review of the "Metro Field Support - Credit Management Actions" procedure, we noted that the Water Corporation has a process documented for the restoration of water supply for the metropolitan, as well as regional (non-metro) areas which mentions the following guidelines for Non-Metropolitan/ Regional areas:</p> <p>Restoration of supply is coordinated by the Team Leader Metro Field Support and the Officer Metering Services (level 3) and must be carried out within the following guidelines:</p> <ul style="list-style-type: none"> • If the restoration event occurs before 3:00 pm on a business day, restoration of the supply is performed within the next two (2) business days; or • If the restoration event occurs at any other time, restoration of the supply is performed within the next three (3) business days. <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2023-24 as the Water Corporation failed to restore the water supply to land outside the metropolitan region within the specified timeframes on one (1) (0.92%) occasion out of 109 restorations events that occurred during the year.</p> <p>The breach occurred due to resourcing challenges experienced during the Easter long weekend. It was noted that service was restored following the identification of the breach.</p> <p>The Water Corporation advised in the Annual Compliance Report that the following actions have been taken post-breach identification:</p> <ul style="list-style-type: none"> • Continuing to monitor and report compliance with this obligation; • Providing further training to relevant staff; and • Reinforcing the need to deliver restorations within the required timeframes. 		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>Upon review of 10 sampled restoration events, we noted that restoration was performed by the Water Corporation within the defined timeframe.</p> <p>Based on interviews and a review of the documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>		
143	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 41(5)	The Water Corporation must ensure that there is a 90% compliance rate with clauses 41(2) and 41(3) in any 12-month period ending on 30 June.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews and a review of the Field Support - Credit Management Actions, we noted that the Water Corporation will carry out restoration to supply services by following these guidelines:</p> <p>Metropolitan areas</p> <ul style="list-style-type: none"> • If the restoration event occurs before 3:30 pm on a business day, restoration of the supply is performed within three (3) hours; • If the restoration event occurs at any other time, restoration of the supply is performed by the next business day; and • Restoration may vary if the Water Corporation and the customer expressly agree otherwise. <p>Regional areas</p> <ul style="list-style-type: none"> • If the restoration event occurs before 3:00 pm on a business day, restoration of the supply is performed within the next two (2) business days; and • If the restoration event occurs at any other time, restoration of the supply is performed within the next three (3) business days. 		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>We noted that performance against this obligation is monitored and reported monthly in the Business Performance Report (BPR), both as monthly and rolling year performance indicators.</p> <p>Upon review of the BPR in place, we noted that the targets were met for the FY 2022-23 and FY 2023-24. Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
144A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 43(1)	The licensee must give notice of any planned service interruption to each customer that will be affected by the service interruption.	Priority: 2	Control adequacy: C	Compliance rating: N/R
			<p>Through interviews with the Manager Operations Compliance and a review of the "Outage Management Procedure", we noted that the Water Corporation has a written process to notify affected customers 48 hours in advance of any planned service interruption by means of written or electronic notification.</p> <p>A control deficiency against this compliance obligation was self-reported by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24. This is because, although the Maximo System is used to record planned outages, it lacks tracking of notifications sent to customers.</p> <p>We noted that the Water Corporation does not have the capability to track accurately whether and when notifications are delivered, resulting in no effective control to demonstrate compliance with the obligation.</p> <p>Based on interviews and a review of documents, it was concluded that there were inadequate controls with significant improvement needed, and the Water Corporation was not rated for compliance with the obligation during the audit period.</p>		
144B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 43(2)	The notice of any planned service interruption must be given within the prescribed timeframes.	Priority: 2	Control adequacy: C	Compliance rating: N/R
			<p>Through interviews with the Manager Operations Compliance and a review of the "Outage Management Procedure", we noted that the Water Corporation has a written process to notify affected customers 48 hours in advance of any planned service interruption by means of written or electronic notification.</p> <p>A control deficiency against this compliance obligation was self-reported by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24. This is because, although the Maximo System is</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>used to record planned outages, it lacks tracking of notifications sent to customers 48 hours before the scheduled outage time.</p> <p>We noted that the Water Corporation does not have the capability to track accurately whether and when notifications are delivered, resulting in no effective control to demonstrate compliance with the obligation.</p> <p>Based on interviews and a review of documents, it was concluded that there were inadequate controls with significant improvement needed, and the Water Corporation was not rated for compliance with the obligation during the audit period.</p>		
144C	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 44(1)	The licensee must have policies, practices and procedures for dealing with and minimising the impact of a burst, leak or blockage in its water supply works or sewerage works.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Operations Compliance and a review of the framework "<i>Management of Bursts, Leaks, Blockages, and Spills Framework</i>," we noted that the framework outlines the measures the Water Corporation takes to address, manage, and mitigate the effects of these incidents, as well as the actions it implements to prevent their occurrence.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
144D	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 44(2)	The policies, practices and procedures under clause 44(1) must deal with the prescribed matters.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Operations Compliance and a review of the framework "<i>Management of Bursts, Leaks, Blockages, and Spills Framework</i>," we noted that the framework outlines the response procedures for events based on their urgency including the following:</p> <p>a) prompt attendance at a site after becoming aware of the existence of a burst, leak or blockage;</p> <p>b) the action or actions that must be taken to rectify a burst, leak or blockage, considering the potential or actual impact on -</p> <p>(i) Customers; and</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>(ii) Other persons or entities affected by the burst, leak or blockage; and</p> <p>(iii) Property; and</p> <p>(iv) The environment.</p> <p>c) the action or actions that must be taken to ensure that, in the event of a wastewater spill from the sewerage works of the licensee onto a customer's property, damage and inconvenience to the customer and other persons to other entities are minimised; and</p> <p>d) the action or actions that must be taken to ensure that, in the event of a wastewater spill from the sewerage works of the licensee, the spill is promptly cleaned, and the affected area is disinfected.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
144E	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 45	The licensee must provide a 24-hour information line by means of which, at the cost of a local telephone call (excluding mobile telephones), a customer can notify the licensee of emergencies and faults, and get information about the reason for, and the expected duration of, any unplanned service	Priority: 2	Control adequacy: B	Compliance rating: 2
			<p>Through interviews with the Manager Operations Compliance and a review of the Water Corporation's website, we noted that the "Contact Us" page provides access to a 24/7 emergency response team via the 13 13 75 toll-free service. An online chat service is also available from Monday to Friday, 7 am - 5 pm (excluding public holidays). Additionally, the website features a report fault page, indicating that customers can report a fault or water quality issue using the online form.</p> <p>Upon review, we noted that the Water Corporation assures prompt assessment of outages or faults, emphasizing their readiness to assist. If a customer encounters a water outage not listed on the page, they are advised to contact the 24/7 emergency response team on 13 13 75.</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for 2022-23 due to a Telstra outage during the weekend of 4 and 5 February 2023. This outage prevented customers from contacting the Water Corporation's faults line (131 375). Telstra rectified the fault and issued a customer impact statement.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		interruption.	<p>We also noted that the Water Corporation has backup systems in place for their corporate in-house phone network, provided by Cisco Solutions. Additionally, a chat feature is available on the website if the faults telephone line is unavailable for connection.</p> <p>We noted that there was no non-compliance with clause 45 of the Water Services Code of Conduct (Customer Service Standards) 2018 in 2023-24.</p> <p>Based on interviews and a review of the documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>		
145	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(1)	The licensee must have a written complaints procedure in relation to investigating and dealing with complaints of customers about the provision of water services by the licensee or a failure by the licensee to provide a water service.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy and Compliance and a review of the "<i>Procedure for Processing External Customer Enquiries and Complaints</i>" document, as well as the Water Corporation's website that contains the "<i>Customer Complaint Resolution Procedure</i>", we noted that the Water Corporation has a written procedure for investigating and dealing with customer complaints regarding the provision of water services, including failures by the licensee to provide a service.</p> <p>Additionally, the website outlines the complaint resolution procedure and refers to the Energy and Water Ombudsman's website.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p> <p>See below for links to the website:</p> <p>Customer & service commitments - Resolving complaints: https://www.watercorporation.com.au/About-us/Our-commitments/Customer-and-service-commitments</p> <p>Customer complaint resolution: https://www.watercorporation.com.au/About-us/Our-commitments/Customer-and-service-commitments/Customer-complaint-resolution</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
146	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(2)	The licensee's complaints procedure must be developed using as minimum standards the relevant provisions of AS/NZS 10002-2014 and the ERA's guidelines (if any).	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the procedure "<i>Customer Complaint Resolution Procedure</i>", we noted that the procedure was developed in accordance with the "AS/NZS 10002-2014 Standard", and in alignment with the Water Services Code of Conduct (Customer Service Standards) 2018 and ERA'S Customer Complaint Guidelines - December 2016.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
147	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(3)	The licensee's complaints procedure must provide for the matters specified in relation to lodgment of complaints, responding to complaints, dispute resolution arrangements and resolving complaints.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the procedure "<i>Customer Complaint Resolution Procedure</i>," we noted that the Water Corporation has included the following in accordance with clause 46(3) of the Water Services Code of Conduct (Customer Service Standards) 2018:</p> <ul style="list-style-type: none"> • How complaints are to be lodged and recorded; • Time limits and methods for responding to complaints; • Dispute resolution arrangements; and • Resolving a complaint before the end of the period of 15 business days starting on the day the complaint was received. <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
148A	Water Services Code of Conduct (Customer Service Standards) 2018	The licensee's complaints procedure must list the procedures available to the customer under the	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the "<i>Customer Complaint Resolution Procedure</i>," we noted that the Water Corporation has included the following information in the procedure:</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
	Clause 46(4)	Act as to applying to the water services Ombudsman or making an appeal from, or applying for a review of, the decision that gave rise to the complaint, if an appeal or review is available under regulations mentioned in section 222(2)(k).	<ul style="list-style-type: none"> How to request an internal review by the Water Corporation; and The process for applying to the Water Services Ombudsman. <p>The "<i>Customer Complaint Resolution Procedure</i>" also outlines the methods available to customers under the Water Services Act, 2012, which include applying to the water services Ombudsman, appealing from, or requesting a review of, the decision that led to the complaint. Customers can access this information on the Water Corporation's website or through email and telephone.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
149	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(5)	The licensee's complaints procedure must be available on the licensee's website and a hardcopy provided to a customer upon request at no charge.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the Water Corporation's website, we noted that information related to customer complaint resolution, along with the document "<i>Customer Complaint Resolution Procedure</i>," is publicly available on the website. This section also includes a form that customers can use to submit a complaint.</p> <p>Upon confirmation from the Manager Policy and Compliance, it was noted that the Water Corporation did not receive any hard copy requests for this document during the audit period.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p> <p>See below for links to the website:</p> <p>Customer and service commitments: https://www.watercorporation.com.au/About-us/Our-commitments/Customer-and-service-commitments</p> <p>Customer complaint resolution: https://www.watercorporation.com.au/About-us/Our-</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			commitments/Customer-and-service-commitments/Customer-complaint-resolution		
149A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 47	When the licensee considers that a customer's complaint has been resolved the licensee must advise the customer accordingly, inform the customer that the customer has a right to apply to the water services Ombudsman for a review of the complaint, and provide a Free call telephone number for the water services Ombudsman.	Priority: 2	Control adequacy: B	Compliance rating: 3
			<p>Through interviews with the Manager Policy and Compliance and a review of the "<i>Procedure for Processing External Customer Enquiries and Complaints</i>," we noted that the Water Corporation has a documented process for customer complaints management. This process requires the Water Corporation to advise the customer once a complaint is resolved, inform them of their right to apply to the Water Services Ombudsman for a review, and provide a Free call telephone number for the Ombudsman.</p> <p>The Water Corporation self-reported non-compliance with the compliance obligation in the Annual Compliance Reports for 2022-2023 and 2023-2024. This was due to failures in providing the required information about the right to apply to the Water Services Ombudsman for a review of complaints and failing to provide a toll-free telephone number for the Water Services Ombudsman in 123 (10.11%) out of 1,217 complaint responses in 2022-2023, and in 94 (4.47%) out of 2,101 complaint responses in 2023-2024.</p> <p>This was primarily attributed to human error and oversight. To address this issue, the Water Corporation established a centralised Internal Dispute Resolution (IDR) function within the Customer Service Business Unit in 2022. The IDR team focuses on educating staff about complaint definitions and processes and uses non-compliance as a learning opportunity to prevent future issues. Actions taken include implementing a system enhancement to prompt staff to inform customers about the Ombudsman when closing complaints, introducing enhanced reporting to detect potential breaches, and providing ongoing complaints management refresher training to all customer-facing staff.</p> <p>Additionally, the Water Corporation is developing its complaints operating model, which includes training packages. We were informed that after the implementation of the aforementioned measures, the compliance rate significantly improved from 90.7% in 2021-2022 to 95.85% in 2023-2024.</p> <p>Review of 10 sampled complaints confirmed that the required information under clause 47 is now being provided to customers.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			Based on interviews and a review of the documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a moderate impact on customers or third parties.		
150	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 48(1)	The licensee must provide a customer with the specified services on request and at no charge.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy and Compliance and a review of the Water Corporation's website, specifically the <i>"Customer & Service Commitments - Access and Inclusion"</i> and <i>"Contact Us"</i> sections, it was noted that the Water Corporation provides complimentary Translating and Interpreting Services (TIS) for non-native English speakers. The website also offers a toll-free number for customers with hearing or speech impairments, as well as for those who require information in alternative formats, to make account inquiries, report faults, handle emergencies, and address security concerns.</p> <p>Additionally, the Water Corporation has implemented a Disability Access and Inclusion Plan (DAIP) process document to ensure the availability of accounts in alternative formats for customers who need them.</p> <p>Upon review of one (1) sample customer request for a large print account due to visual impairment, we noted that the Water Corporation responded to and fulfilled the request appropriately.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p> <p>See below for links to the website:</p> <p>Customer & service commitments - Access and Inclusion: https://www.watercorporation.com.au/About-us/Our-commitments/Customer-and-service-commitments</p> <p>Contact us: https://www.watercorporation.com.au/About-us/Contact-us</p>		
152	Water Services Code of Conduct (Customer	The licensee must make available to each customer, at no charge,	Priority: 4	Control adequacy: A	Compliance rating: 1
			Through interviews with the Manager Policy and Compliance, we noted that the Water Corporation		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
	Service Standards) 2013 Clause 48(2)	the customer's personal account information including information about bills previously issued to the customer and about the quantity of water supplied to, or wastewater discharged by, the customer in previous billing periods	<p>provides to each customer, at no charge, the customer's personal account information aligning with the Water Services Code of Conduct (Customer Service Standards) 2018 Clause 48(2).</p> <p>The Water Corporation, through the "My Water" program, provides customers with their personal account information for each of the properties they own. Customers can also obtain their personal account information via email or by phone. Telephonic requests are provided in accordance with the requirements of the "Security Policy Guidelines".</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
153	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 49(1)	The licensee must make the prescribed information publicly available.	Priority: 2	Control adequacy: B	Compliance rating: 2
			<p>Through interviews with the Manager Policy and Compliance and a review of the Water Corporation's website, we noted that information required by the licence condition is publicly available at the following links:</p> <ul style="list-style-type: none"> • Bill & account: https://www.watercorporation.com.au/Bill-and-account/My-charges • Ways to pay your bill: https://www.watercorporation.com.au/Help-and-advice/Bill-and-account/Payments/Ways-to-pay-your-bill • Apply for a concession: https://www.watercorporation.com.au/Bill-and-account/Apply-for-a-concession • Access to your meter: https://www.watercorporation.com.au/Help-and-advice/Water-issues/Your-water-meter/Access-to-your-meter • Customer & service commitments: https://www.watercorporation.com.au/About-us/Our-commitments/Customer-and-service-commitments • Environment & sustainability: https://www.watercorporation.com.au/Our-water/Environment-and-sustainability <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>Compliance Report of 2022-23. During the 2022 Operational Audit, information as required under clause 49 (1) (h) was not published on the website as below:</p> <p>(h) that if the customer is offered a payment plan or other arrangement giving the customer more time to pay the bill or to pay arrears, the licensee's power as mentioned in paragraph (g) can only be exercised if –</p> <p style="padding-left: 40px;">(i) the customer has not accepted the offer within the period of 7 days after the day on which it was made; or</p> <p style="padding-left: 40px;">(ii) having entered such a plan or other arrangement, the customer does not comply with it.</p> <p>We noted that in the Annual Compliance Report, the Water Corporation confirmed that the Water Corporation reviewed and updated the information on the website on 3 April 2023.</p> <p>Upon review of the Water Corporation website, we noted that all information except information as per clause 48(c) a large-print version of any of the licensee's publicly available documents, was published on the website.</p> <p>We noted that the website was updated after the identification of the issue during the Audit.</p> <p>Based on interviews and a review of the documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>		
154	Water Services Code of Conduct (Customer Service Standards) 2013 Clause 49(2)	The licensee must ensure that the specified information about bills may be obtained from its website.	Priority: 1	Control adequacy: B	Compliance rating: 2
			<p>Through interviews with the Manager Policy and Compliance and a review of the Water Corporation's website, we noted that the website provides the following billing-related information:</p> <ul style="list-style-type: none"> • Explanation of estimated bills, including the basis and reason for estimates. • Customer options for requesting a meter reading and billing for non-standard periods. • Procedures for disputing estimates and requesting revised bills, including fee disclosures. 		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<ul style="list-style-type: none"> Information on meter testing, associated fees, and conditions for fee reimbursement. The process for bill reviews as per the licensee's review procedure. The licensee's complaint procedures for service provision issues. <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the 2022-23 Annual Compliance Report. During the 2022 Operational Audit, it was found that the website lacked the following information:</p> <ul style="list-style-type: none"> Details on how a customer could request a meter test, including information about testing charges and reimbursement; and A statement that customers may request a meter reading when estimated reads are provided. <p>This omission occurred due to an error that resulted in the deletion of information from the website.</p> <p>Upon review of the Annual Compliance Reports, we noted that the missing information was restored on the website on 22 August 2022, and 8 March 2023. Additional controls have been implemented, with the Policy and Compliance team now liaising with the Digital team to conduct a mandatory compliance check before any changes are made to the website, facilitated through a service request form.</p> <p>During our further review of the Water Corporation website, we noted that all required information has been appropriately published in accordance with clause 49(2) of the Water Services Code of Conduct (Customer Service Standards) 2013.</p> <p>Based on interviews and a review of the documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>		
154A	Water Services Code of Conduct (Customer Service	The licensee must ensure that its website contains a link to the current version of this	Priority: 4	Control adequacy: A	Compliance rating: 1
			Through interviews with the Manager Policy & Compliance and a review of the website (https://www.watercorporation.com.au/About-us/Our-commitments/Customer-and-service-commitments),		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
	Standards) 2018 Clause 49(3)	code appearing on the website that is maintained by or on behalf of the Western Australian Government and that provides public access to electronic versions of Western Australian legislation.	<p>we noted that the link to the document "<i>Water Services Code of Conduct (Customer Service Standards) 2024</i>" is present on multiple web pages on the Water Corporation's website.</p> <p>We verified the hyperlink by clicking on it and noted that it directs to a website maintained by the Western Australian Government, which offers public access to electronic versions of Western Australian legislation.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
154B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 51(1) & (3)	The licensee must maintain an up-to-date preserved supply register for the purposes of Part 9 of the Code if the licensee meets the criteria in clause 51(2). The register must record the prescribed information in clause 51(3) if the criteria in clause 51(2) applies to the licensee.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance, we noted that the Water Corporation maintains a "<i>Preserved Supply Register</i>," which contains a list of properties identified as having obligations to supply water to persons with special requirements or needs. Upon review of the Register, we noted that it includes:</p> <ul style="list-style-type: none"> • The name of the person; and • The supply address. <p>Additionally, the register is up to date, as evidenced by the instructions within the register that state it updates automatically when the workbook is opened.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
154C	Water Services Code of Conduct (Customer Service	The licensee must not, under section 95(1)(b) of the Act, reduce the rate of flow of a supply	Priority: 1	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the standard "<i>S532 Supply of Water to Persons with Special Requirements</i>," we noted that the Water Corporation has established a</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
	Standards) 2018 Clause 52	of water to a supply address recorded on the preserved supply register.	<p>written standard outlining specific responsibilities for providing water to individuals with special requirements or needs, in accordance with the Water Services Code of Conduct (Customer Service Standards) 2018.</p> <p>According to this standard, the Water Corporation maintains a register, known as the "<i>Preserved Supply Register</i>," which is regularly updated and includes the account information of customers with special requirements, such as their names and addresses.</p> <p>Upon comparing the 'List of Restrictions Reporting from July 2022 to June 2024' with the 'Preserved Supply Register,' we noted that there were no instances of reducing or restricting the rate of flow of a supply of water to a supply address recorded on the Preserved Supply Register.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
154D	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 53	Despite clause 43(3), in the case of a service interruption that will affect a supply address recorded on the preserved supply register, the notice required by clause 43(1) must be sent by post or delivered to that supply address.	Priority: 4	Control adequacy: C	Compliance rating: N/R
			<p>Through interviews with the Manager Operations Compliance, and a review of the standard 'S532 Supply of water to persons with special requirements,' we noted that the Water Corporation is committed to maintaining an up-to-date register containing the names and addresses of these customers and to notifying customers of any planned service interruptions by post or hand delivery, giving at least 48 hours' notice, or as soon as it is practically possible.</p> <p>Upon review of the process of sending a notification to service customers for preserved supply customers, we noted that an SMS is sent to all customers.</p> <p>However, we noted that the Water Corporation does not have the capability to track accurately whether and when written notice as required under required by clause 43(1) are delivered, resulting in no effective control to demonstrate compliance with the obligation.</p> <p>Based on interviews and a review of documents, it was concluded that there were inadequate controls with significant improvement needed, and the Water Corporation was not rated for compliance with the</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			obligation during the audit period.		
155	Water Services Act, 2012 Section 12 Clause 4.2.1	The licensee must pay the applicable fees and charges in accordance with the Economic Regulation Authority (Licensing Funding) Regulations 2014.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Regulation and Compliance and a review of the work instruction titled "<i>Licence Fee Work Instruction ID#48853169</i>," we noted the following applicable fees:</p> <ul style="list-style-type: none"> Annual Licence Fee: \$2,885 paid to the Economic Regulation Authority (ERA) yearly, due within 30 days of invoicing; Quarterly Standing Charges: to cover core function costs, calculated as per Clause 7(4) of the Regulations. Payment is due within 30 days of invoicing; and Specific Charges: charges for processing applications related to water service licences, including grants, renewals, amendments, cancellations, or transfers. These must be paid within 30 days of invoicing. <p>Upon review of the invoices for the charges paid by the Water Corporation during the audit period, we noted that all charges were paid within the due date.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
159	Water Services Act, 2012 Section 12 Clause 4.1.2	The licensee must comply with a direction from the ERA in relation to a breach of applicable legislation.	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Manager Regulations and Compliance and a review of the work instructions titled "<i>Annual ERA Compliance Report Work Instruction</i>," we noted that if the Water Corporation receives a written breach notice from the ERA regarding any applicable legislation, the notice is recorded in the "<i>ERA Correspondence Register</i>," and necessary remedial actions are undertaken.</p> <p>However, as per confirmation with the Manager Regulations and Compliance and a review of the "<i>ERA Correspondence Register</i>," it was determined that during the audit period, the Water Corporation did not</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>receive any breach notices from the ERA.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
160	Water Services Act, 2012 Section 12 Clause 4.6.1	The licensee and any related body corporate must maintain accounting records that comply with standards issued by the Australian Accounting Standards Board or equivalent International Accounting Standards.	Priority: 2	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Finance Manager - Financial Accounting & Reporting, and a review of the Annual Report 2023, we noted that the "<i>Financial Report</i>" included in the Annual Report 2023 is prepared in accordance with the Government Trading Enterprises Act 2023 and Australian Accounting Standards (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB).</p> <p>The financial report also complies with International Financial Reporting Standards (IFRSs) adopted by the International Accounting Standards Board (IASB).</p> <p>Additionally, according to the opinion of the Auditor General, the financial report of the Water Corporation and the Group is prepared in accordance with the Government Trading Enterprises Act 2023, including section 176 and the Government Trading Enterprises Regulations 2023, and:</p> <ul style="list-style-type: none"> • Gives a true and fair view of the financial position as of 30 June 2023, and of its performance for the year then ended; and • Is in accordance with Australian Accounting Standards and the Water Corporations Regulations 2001. <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
161	Water Services Act, 2012 Section 12 Clause 5.2.1	The licensee must comply with any individual performance standards prescribed by the ERA.	Priority: 2	Control adequacy: N/P	Compliance rating: N/R
			Refer to obligation 190 for compliance with the standard performance standards that need to be met by the Water Corporation.		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
162	Water Services Act, 2012 Section 12 Clause 5.3.4	The licensee must cooperate with the independent expert and comply with the ERA's audit and review guidelines dealing with the Operational Audit.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Regulations and Compliance and a review of the work instructions "<i>Operational Audit Work Instruction</i>" we noted that the document explicitly references the ERA's Audit and Review Guidelines for Water Licences. This is to ensure adherence to the guidelines during the Audit. The instructions reviewed outline a clear sequence of steps designed to prepare the Water Corporation for the Audit.</p> <p>Based on our interviews, we noted that the Water Corporation indicates that it understands its obligations to cooperate with the independent expert and comply with the ERA's audit and review guidelines for Operational Audits.</p> <p>Additionally, the Water Corporation maintains a document titled "<i>Summary of Licence Obligations & Supporting Documentation</i>," which lists all licence obligations, the responsible business area, and key documents associated with those obligations.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
163	Water Services Act, 2012 Section 12 Clauses 4.7.1(a), (b), (c)	The licensee must report to the ERA, in the manner prescribed, if a licensee is under external administration or there is a change in the circumstances upon which the licence was granted which may affect a licensee's ability to meet its	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Finance Manager - Financial Accounting & Reporting and a review of the procedure titled "<i>Notification to ERA under WSL - External Administration Procedure ID#19750722</i>," we noted that the process for notifying the Economic Regulation Authority (ERA) if the Water Corporation enters external administration is clearly outlined.</p> <p>Upon confirmation from the Finance Manager - Financial Accounting & Reporting, we noted that the Water Corporation was not under external administration, nor did it undergo any significant changes to its corporate structure, financial status, or technical operations during the audit period. Furthermore, there were no alterations to the Water Corporation's name, Australian Business Number (ABN), address, or description of its water service works.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		obligations.	Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.		
165	Water Services Act, 2012 Section 12 Clause 4.8.1	The licensee must provide the ERA specified information relevant to the operation of the licence or the licensing scheme, or the performance of the ERA's function under the Act in the manner and form specified by the ERA.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Regulations and Compliance, we noted that Obligations 4, 8, 9, 163, and 171 require the Water Corporation to provide information to the Economic Regulation Authority (ERA).</p> <p>Annually, the Water Corporation submits the following information to the ERA in accordance with license conditions:</p> <ul style="list-style-type: none"> • Annual Compliance Reports; • Performance Reporting Data; and • Type 1 Obligation Reporting. <p>The following work instructions guide the submission of information to the ERA: "<i>Annual ERA Compliance Report Work Instruction #49600224</i>," "<i>Performance Reporting Work Instruction #48505167</i>," and "<i>Type 1 Obligation Reporting to the ERA</i>."</p> <p>Additionally, the ERA may require the Water Corporation to provide information beyond the obligations and reporting requirements in writing. We noted that the Annual Compliance Reports and Performance reports were provided to the ERA within the defined timeframe.</p> <p>We also noted through confirmation from the Manager Regulations and Compliance and a review of the "<i>ERA Correspondence Register</i>", we noted that during the audit period, the Water Corporation did not receive any directives from the ERA to publish additional information.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
167	Water Services	The licensee must	Priority: 2	Control adequacy: B	Compliance rating: 2

Obligation no.	Obligation reference	Obligation description	Observation and findings		
	Act,2012 Section 12 Clause 4.8.2	provide the ERA with the data required for performance reporting purposes that is specified in the Water, Sewerage and Irrigation Licence Performance Reporting Handbook, and the National Performance Framework that apply to the licensee.	<p>Through interviews with the Manager Regulations and Compliance, we noted that the Water Corporation provides performance reporting in accordance with the Water, Sewerage, and Irrigation Licence Performance Reporting Handbook and the National Performance Framework: Urban performance reporting indicators, to the ERA.</p> <p>Upon review of the National Performance Reports, we confirmed that they meet the ERA's requirements. Additionally, sample testing of the information reported in the National Performance Report showed that the figures are accurately captured, and adequate backup documentation is maintained for reporting to the ERA.</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the 2022-23 Annual Compliance Report because the Final National Performance Audit Report was submitted six days late, on 1 November 2022, past the due date of 25 October 2022 requested by the ERA.</p> <p>The Water Corporation attributed the delay to an observation in the National Performance Audit, where auditors noted conflicting town boundaries among stakeholders in different business units. We noted that the delay was primarily due to the time required to reach an agreement on common town boundaries with all stakeholders and to submit the National Performance Audit Report to the ERA.</p> <p>Based on interviews and a review of the documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>		
168	Water Services Act,2012 Section 12 Clauses 3.8.1 and 3.8.2	Subject to clause 3.8.3, the licensee must publish within the specified timeframe any information that the ERA has directed the licensee to publish	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Manager Policy and Compliance, we identified that Obligations 36, 42, 187, 188, and 189 require the Water Corporation to publish information as stipulated by the license conditions.</p> <p>However, upon further confirmation with the Manager Regulations and Compliance and a review of the "ERA Correspondence Register," it was determined that, during the audit period, the Water Corporation did not receive any additional directives from the ERA regarding the publication of information.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		under clause 3.8.1.	Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.		
169	Water Services Act, 2012 Section 12 Clause 3.7.1	Unless otherwise specified, all notices must be in writing.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Regulations and Compliance and a review of one (1) sample communication between the ERA and the Water Corporation, we confirmed that all official communications with the ERA are conducted through written emails or letters to preserve a record for auditing purposes.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
171	Water Services Act, 2012 Section 12 Clause 5.1.3	The licensee must notify the ERA of any material change to the asset management system within 10 business days of the change.	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Manager Asset Management System and Risk and a review of the procedure titled "<i>Notification to ERA of Changes to Asset Management System Procedure</i>," we noted that the procedure outlines the responsibilities and process for identifying and reporting significant changes to the Asset Management System (AMS) to the ERA.</p> <p>According to the procedure, the Head of Asset Strategy is responsible for promptly communicating any planned or implemented significant changes to the Head of Risk and Assurance, who in turn facilitates notification to the ERA within ten working days.</p> <p>However, upon confirmation with the Manager Asset Management System and Risk, it was determined that no significant changes to the AMS occurred during the audit period.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
172	Water Services Act, 2012 Section 12	The licensee must cooperate with the independent expert and comply with the ERA's	Priority: 4	Control adequacy: A	Compliance rating: 1
			Through interviews with the Manager Asset Management System & Risk, and a review of the work instructions, " <i>Management of ERA Asset Management System Compliance Procedure #58584829</i> ," we noted that the document outlines the accountabilities to meet the external compliance requirements		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
	Clause 5.1.7	audit and review guidelines dealing with the asset management system review.	<p>defined by the ERA for the Water Corporation's AMS.</p> <p>This includes the periodic management, ongoing monitoring, and reporting of outcomes of reviews. The instructions reviewed outline a clear sequence of steps designed to thoroughly prepare the Water Corporation for the audit. Additionally, the Water Corporation maintains a document titled "<i>Summary of Licence Obligations & Supporting Documentation</i>," which enumerates all licensing obligations, their corresponding responsible business areas, and the key documents associated with each obligation.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
172A	Water Services Act, 2012 Section 12 Clause 6.1.1	If the ERA considers that one or more of a licensee's standard terms and conditions of service is no longer in the public interest, the ERA may direct the licensee: a) to amend: i) the standard term or condition of service; or ii) the standard term or condition of service in accordance with a term proposed by the ERA; and b) to do so within a specified period.	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Senior Advisor Business Management and a review of the "<i>ERA Correspondence Register</i>", we noted that no directions had been received from the ERA to amend the standard terms and conditions of service.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
172B	Water Services Act, 2012 Section 12 Clause 6.1.2	The licensee must comply with a direction given to the licensee under clause 6.1.1.	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Senior Advisor - Business Management and a review of the "ERA Correspondence Register", we noted no directions were received from the ERA to amend the standard terms and conditions of service.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
181	Water Services Act, 2012 Section 12 Clause 6.3.1	If the licensee is appointed as the supplier of last resort for a designated area in relation to the provision of a particular water service, the licensee must perform the functions of a supplier of last resort, comply with the duties imposed by the Act and carry out its operations under or for the purpose of the last resort plan in accordance with the Act	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			<p>Through interviews with the Manager Regulations and Compliance and a review of the work instruction "Supplier of Last Resort Work Instruction" we noted that the ERA can appoint a supplier of last resort to a Water Service Licensee if an existing licensee fails to supply customers as per its licence requirements or if an existing supplier does not exist.</p> <p>However as per confirmation with Manager Regulations and Compliance and a review of the "ERA Correspondence Register" it was determined that during the audit period, the Water Corporation was not appointed as a supplier of last resort by the ERA.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
182	Water Services Act, 2012 Section 12	If the licensee provides a water service outside of the operating area the licensee must apply	Priority: 4	Control adequacy: N/P	Compliance rating: N/R
			Through interviews with the Senior Advisor - Business Management and a review of the operating area maps:		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
	Clause 4.4.1(b)	to amend the licence unless otherwise notified by the ERA.	<ul style="list-style-type: none"> OWR-OA-309 - Potable and Non-Potable Water Supply (Sewerage and Drainage services) - Eff. April 2016. OWR-OA-175(E) - Irrigation Services (Ord River Operating Area) - Updated December 2013. OWR-OA-175-1(B) - Irrigation Services (Ord River (Kununurra) Operating Area) - Updated December 2013, <p>We noted that the current operating area for the Water Corporation covers the entire state of Western Australia for potable, non-potable, and irrigation water services.</p> <p>Furthermore, the Water Corporation has entered into a Service Delivery Agreement (SDA) with the Commonwealth Government to provide only maintenance services (not water services) on the Cocos (Keeling) Islands and Christmas Island.</p> <p>However, as per confirmation with the Senior Advisor - Business Management and a review of the "ERA Correspondence Register" it was determined that during the audit period, the Water Corporation has not provided water services outside the operating area.</p> <p>Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>		
184	Water Services Act, 2012 Section 12 Clause 7.1.1	Where the licensee provides potable water, the licensee must enter into a Memorandum of Understanding with the Department of Health as soon as practicable after the commencement date or as otherwise agreed with Department of	Priority: 5	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Framework & Systems and a review of the "Latest Memorandum of Understanding (MoU) between the Department of Health and Water Corporation for Drinking Water," we noted that the Water Corporation has a MoU with the Department of Health, which was entered into on 28 November 2017.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		Health.			
184A	Water Services Act, 2012 Section 12 Clause 7.1.2	Where the licensee provides sewerage services, the licensee must, if required by the Department of Health, enter into a Memorandum of Understanding with the Department as soon as practicable after the commencement date or as otherwise agreed with Department.	Priority: 5	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Framework & Systems and a review of the "Memorandum of Understanding (MoU) between the Department of Health and Water Corporation for Wastewater Services and Groundwater Replenishment," we noted that the Water Corporation has a MoU for wastewater/sewage water services, endorsed by the Department of Health, signed on 16 August 2021, and is valid for five years.</p> <p>Additionally, we verified on Water Corporation's website (https://www.watercorporation.com.au/About-us/Our-performance/Drinking-water-quality) that the MoU has been published and is publicly available.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
184B	Water Services Act, 2012 Section 12 Clause 7.1.3	If the licensee provides both potable water and sewerage services, the licensee must enter into a separate Memorandum of Understanding with the Department of Health in respect of each of the potable water service and sewerage service.	Priority: 5	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Framework & Systems, and a review of two Memorandums of Understanding (MoUs), namely:</p> <ul style="list-style-type: none"> • The Memorandum of Understanding between the Department of Health and Water Corporation for Wastewater Services and Groundwater Replenishment; and • The Memorandum of Understanding between the Department of Health and Water Corporation for Drinking Water. <p>We noted that the Water Corporation has entered separate MoUs for potable water and wastewater services as required.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			period.		
185	Water Services Act, 2012 Section 12 Clause 7.1.4	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.	Priority: 2	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Framework & Systems, and a review of two Memorandum of Understanding (MoUs), namely:</p> <ul style="list-style-type: none"> • The Memorandum of Understanding between the Department of Health and Water Corporation for Wastewater Services and Groundwater Replenishment; and • The Memorandum of Understanding between the Department of Health and Water Corporation for Drinking Water. <p>It was noted that both MoUs explicitly state they are legally binding agreements between the licensee and the Department of Health. They further stipulate that the Department of Health will require an audit on compliance by the Water Corporation with its obligations under these MoUs at least once every three (3) years, or at another such time as notified by the Department of Health. We noted that the last audit for Wastewater Services and Groundwater Replenishment was performed in June 2021, and the last audit for Drinking Water was performed in September 2023.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
186	Water Services Act, 2012 Section 12 Clause 7.1.5	The licensee must comply with the terms of a Memorandum of Understanding.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Framework & Systems, and a review of the quality reports, we noted that the Water Corporation adhered to the conditions set out in its Memorandum of Understanding (MOUs) with the Department of Health.</p> <p>We also noted that the stipulations of the Water Corporation's MOUs with the Department of Health are incorporated into the procedure "<i>Management of Water Corporation - DoH Memorandums of Understanding</i>".</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.		
187	Water Services Act, 2012 Section 12 Clause 7.1.6	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.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Framework & Systems, and a review of the procedure “<i>Management of Water Corporation - DoH Memorandums of Understanding</i>”, we noted that the procedure documents that the amendments to the MoU or Schedules require these documents to be republished on the website (https://www.watercorporation.com.au/About-us/Our-performance/Drinking-water-quality) within 1 month of the change being agreed upon by the DoH.</p> <p>Upon review of the update to the Drinking Water MoU, approved by the Department of Health (DoH) on 7 May 2024, we noted that it was uploaded to the Water Corporation website within one month, on 29 May 2024.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
188	Water Services Act, 2012 Section 12 Clause 7.1.7	The licensee must publish the audit report on compliance with its obligations under a Memorandum of Understanding on its website within one month of the completion of the audit.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Framework & Systems, and a review of the procedure 'Management of Water Corporation - DoH Memorandums of Understanding,' we noted that the procedure documents that following the completion of audits (frequency every 3 years), abridged versions of the reports, which are prepared in accordance with a format agreed upon with the Department of Health, must be made publicly available on the external website within one (1) month.</p> <p>Upon review of one (1) abridged report for the drinking water MoU audit, which was completed on 13 September 2023, it was uploaded to the Water Corporation website (https://www.watercorporation.com.au/About-us/Our-performance/Drinking-water-quality) within one (1) month, on 19 September 2023.</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.		
189	Water Services Act, 2012 Section 12 Clause 7.1.8	The licensee must publish, in a form agreed with the Department of Health, any other reports required by the Department of Health or required by a Memorandum of Understanding on the licensee's website, at a reporting frequency specified by the Department of Health.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Framework & Systems, and a review of the website (https://www.watercorporation.com.au/About-us/Our-performance/Drinking-water-quality), we noted that the wastewater and drinking water quality reports are published on the Water Corporation website annually as agreed with the Department of Health (DoH).</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
190	Water Services Act, 2012 Section 12 Schedule 2	The licensee must comply with the standards set out in Schedule 2 of the licence. Schedule 2	Priority: 2	Control adequacy: B	Compliance rating: 2
			Clause 4.1.1 of the Schedule 2 obligation has been identified as an exception and therefore, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.		

Obligation no.	Obligation reference	Obligation description	Observation and findings
190	Water Services Act, 2012 Section 12 Schedule 2 clause 1.1	<p>Potable water system - pressure and flow standards. Provide continuity of pressure and flow for services in accordance with the following standard:</p> <p>Perth Metropolitan 15 minimum static pressure, 100 maximum static pressure,</p> <p>20 litres minimum flow Country Urban Areas</p> <p>13 minimum static pressure, 100 maximum static pressure, 20 litres minimum flow per minute</p>	<p>Through interviews with the Senior Principal - Regional Water Networks and Manager - Assets Metro Networks, and review of "Criteria for Drinking Water Supply", "Pressure and Flow Exemption Procedure", "DS 60 Water Supply Distribution Standard" and "GDL-PL-001-Guideline-Approach for Determining Whether a Property Receives a High- or Low-Pressure Exemption", we noted that the planning of the water network is governed by a process that ensures customers receive the required pressure and flow by building in margins of safety at several steps of the process.</p> <p>For example, if a customer must receive a pressure greater than 17 metres of water, the scheme is modelled to ensure all customers receive at least 19 metres of water. The peak demand scenario used in the modelling is a 'peak day, peak week' scenario, which exceeds all actual demand scenarios. As a result, most customers receive a minimum pressure of 25 metres or greater. The design and construction of the system are governed by respective standards, such as the DS60 (Water Supply Distribution) standard, which ensures the required outcomes are met.</p> <p>The nature of hydraulic networks—where pressure is governed by the elevation of a tank or a similar fixed element—means that there is little variation over time unless there is a change in the configuration of the network and/or new demand is introduced.</p> <p>For these customers, the modelling and planning of the network are revisited to maintain pressure and flow requirements. As part of this process, field measurements of pressure and flow are taken to ensure the calibration of the model, and data is collected from fixed pressure and flow meters within the network. We also noted that an annual review of pressure exemption is performed.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>

Obligation no.	Obligation reference	Obligation description	Observation and findings
190	Water Services Act, 2012 Section 12 Schedule 2 clause 1.2.1	<p>Potable water system - pressure and flow standards Licensee must notify:</p> <p>(a) new customers upon purchase of the affected property as soon as practicably; and</p> <p>(b) existing customers at least annually, if the pressure and flow of the water supplied falls outside of standard pressure and flow range set out in clause 1.1 of this Schedule. The notification in clause 1.2.1 must advise the customer whether the pressure and flow of water supplied to the customer's property will be lower or higher than the pressure and flow range set out in clause 1.1 of this Schedule.</p>	<p>Through interviews with the Manager Policy & Compliance and review of <i>"Notifying New Owners of Service Conditions"</i> and <i>"Pressure and Flow Exemption Procedure,"</i> we noted that:</p> <ul style="list-style-type: none"> • New customers are provided with pressure and flow information as soon as possible. This obligation is monitored through daily reporting to ensure that information can be provided promptly. • For existing customers, the pressure and flow information are provided along with customer bills, which are issued annually if the pressure and flow of the water supplied fall outside the standard pressure and flow range set out in clause 1.1 of this Schedule. <p>Upon review of 10 new and existing customers, we noted that information regarding pressure and flow is provided to customers.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>

Obligation no.	Obligation reference	Obligation description	Observation and findings
190	Water Services Act, 2012 Section 12 Schedule 2 clause 1.3	The licensee must notify the ERA annually of any restrictions applied in accordance with the Water Services Regulations 2013 to a potable water supply, detailing restrictions by scheme, type (severity), duration, start date and number of services affected.	<p>Through interviews with the Manager Asset Regulation and Research, we noted that the Water Corporation notifies the ERA annually of any water restrictions at the same time as the performance reporting submission. The work instruction titled <i>"Water Restrictions Register Maintenance"</i> has been developed, which includes a step to contact Strategy & Stakeholder team for restriction information.</p> <p>Upon review of the register, we noted that the Water Corporation records the name of the scheme or town to which the restriction applies, the region in which the scheme or town is located, the stage of restriction, the start and end dates of the restriction, and any other relevant comments. The register is maintained according to the maintenance work instruction.</p> <p>Upon further review of the register of temporary water restrictions, we noted that the Water Corporation did not identify any restrictions during the audit scope period that are required to be reported to the ERA. Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.</p>
190	Water Services Act, 2012 Section 12 Schedule 2 clause 4.1.1	The licensee must operate, manage, maintain, plan and construct its drains and drainage schemes as set out below, and shall consult in relation to such activities as required by this Schedule.	<p>Through interviews with the Team Leader - Drainage and review of the <i>"PP005 Drainage Services Policy"</i>, we noted that the Water Corporation delivers drainage services through several business units within the Corporation. These units include Infrastructure Planning, Asset Management, Environment, Infrastructure Design, and Water Efficiencies, along with the Southwest and Great Southern Regions.</p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report of 2023-24 due to some drainage failures because of heavy rainfall.</p> <p>The Water Corporation implemented actions to confirm the drains were cleared and commenced a detailed study to be completed by the end of 2024 to determine if there are broader capacity issues and/or upgrades required.</p> <p>Based on interviews and a review of documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>

Obligation no.	Obligation reference	Obligation description	Observation and findings
190	Water Services Act, 2012 Section 12 Schedule 2 clause 4.1.2	<p>Urban drainage scheme infrastructure provided by the licensee for the purpose of constructed, operated and maintained such that the peak flows of stormwater runoff from rainfall events can be accepted into and will not overflow from the system in accordance with the following standard: Drainage - Design of new urban infrastructure</p> <p>Design of new urban drainage scheme infrastructure protects against flooding from peak flows of stormwater runoff from rainfall events with intensities up to:</p> <ul style="list-style-type: none"> – Residential - 5-year average recurrence interval – Commercial - 10-year 	<p>Through interviews with the Team Leader - Drainage and a review of the <i>"Design Standard DS 66 Urban Main Drainage Standard"</i>, we noted that it specifies requirements that ensure the effective design and delivery of fit-for-purpose Water Corporation infrastructure assets for the best whole-of-life value with minimal risk to Water Corporation service standards and safety.</p> <p>The design standards are also intended to promote a uniform approach among asset designers, drafters, and constructors in the design, construction, commissioning, and delivery of water infrastructure, as well as ensuring the compatibility of new infrastructure with existing similar infrastructure. This includes the design of drainage infrastructure that protects against flooding from peak flows of stormwater runoff from rainfall events.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>

Obligation no.	Obligation reference	Obligation description	Observation and findings
		average recurrence interval	
190	Water Services Act,2012 Section 12 Schedule 2 Clause 4.1.3	In the above table the meaning of the term "average recurrence interval" shall be consistent with the discussion on probability concepts for flood estimation and rainfall intensity - frequency - duration estimation, as contained in Books 1 & 2 respectively of the Institution of Engineers Australia publication, <i>Australian Rainfall and Runoff</i> (1987).	Through interviews with the Team Leader - Drainage and review of drainage policies, we noted that the term "average recurrence interval" (ARI) is used for flood estimation and rainfall intensity-frequency. This term is employed in flood protection works as it defines the level of operation and maintenance required to cater to the peak flows of stormwater runoff from individual rainfall events. The ARI for the Preston River levees has been set at a 1 in 100-year event, and the ARI for the Vasse River Diversion at a 1 in 20-year event. We noted that these ARIs are consistent with Books 1 and 2 of the Institution of Engineers Australia publication, <i>"Australian Rainfall and Runoff"</i> (1987). Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.
190	Water Services Act,2012	In planning and designing urban	Through interviews with the Team Leader - Drainage and review of drainage policies, we noted that the Water Corporation adheres to the principles, concepts, and recommendations of the Institution of

Obligation no.	Obligation reference	Obligation description	Observation and findings
	Section 12 Schedule 2 clause 4.1.4	infrastructure, the licensee must have due regard to the principles, concepts and recommendations of Australian Rainfall and Runoff (1987).	Engineers Australia publication, " <i>Australian Rainfall and Runoff</i> " (1987), when conducting modelling for scheme and capacity reviews. This includes incorporating design rainfalls, catchment parameters, and major/minor storm analysis. Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.
190	Water Services Act, 2012 Section 12 Schedule 2 clause 4.1.5	If, prior to 1 January 1996, the licensee constructed drainage infrastructure to levels of service standards which were less than those specified in this Schedule then there will be no obligation under this licence for the licensee to upgrade any infrastructure existing as at 1 January 1996, to meet the above standards where there have been no instances of flooding confirmed to be due to the under capacity of the infrastructure to meet those standards. Where	Through interviews with the Team Leader - Drainage and a review of the " <i>Flood Register</i> ", we noted that for drains constructed under previous standards, that is, prior to 1 January 1996, there have been no instances where flooding due to capacity has necessitated upgrading the drain to current standards. We observed that there were 15 flood events during the review period; however, the Team Leader - Drainage confirmed that these events did not warrant the upgrading of infrastructure facilities. We were further informed that the Water Corporation continuously identifies any capacity shortfalls and undertakes upgrades as part of a structured capital program. Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.

Obligation no.	Obligation reference	Obligation description	Observation and findings
		there have been instances of flooding confirmed to be due to under capacity of infrastructure to meet the standards of this Schedule, the licensee must upgrade the infrastructure to those standards or must take such action as agreed with affected customers.	
190	Water Services Act, 2012 Section 12 Schedule 2 clause 4.1.6	The drainage system will accept drainage water from Local Government works but will not be required under this licence to be upgraded to accept any additional drainage water.	<p>Through interviews with the Team Leader - Drainage, we noted that the Water Corporation allows and accepts drainage water from local government works, but not an unlimited amount, as this would necessitate constant upgrades to the main drainage systems.</p> <p>The Department of Planning, various environmental regulators, developers, consultants, and drainage service providers (such as the Water Corporation, Main Roads WA, and local authorities) all collaborate to implement this requirement for existing and future land developments.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>

Obligation no.	Obligation reference	Obligation description	Observation and findings
190	Water Services Act, 2012 Section 12 Schedule 2 clause 4.1.7	Notwithstanding that the licensee's urban drainage infrastructure shall itself be designed to the capacity standards listed in this Schedule, in planning and designing such infrastructure the licensee must have due regard to the major/minor concept of drainage design discussed in Book 8, 1.5.1 of Australian Rainfall and Runoff (1987). Such due regard will be adequately demonstrated: (c) in the case of it undertaking, commissioning or accepting a design for new drainage infrastructure, by the licensee ensuring that the local authorities	Through interviews with the Team Leader - Drainage, we noted that the standards specified in Section 4.1.2 pertain to minor storm events, for which the Water Corporation is responsible within the main drainage catchments, covering approximately 40% of the metropolitan area. Major storm events, which exceed the parameters set out in Section 4.1.2, fall under the responsibility of local authorities. These authorities manage such events through the establishment of building floor levels and road levels within their town planning schemes. Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.

Obligation no.	Obligation reference	Obligation description	Observation and findings
		<p>involved have been made aware of the predicted response of the combined major/minor system to major storm events, for the information of those authorities in relation to their responsibilities for the establishment and management of the major (as described in Australian Rainfall and Runoff (1987)) elements of the major/minor system infrastructure; and</p> <p>(d) in the case of it undertaking a capacity review of an existing licensee drainage scheme, by the licensee causing a broad assessment to be made of the behaviour of the combined major/minor system under major</p>	

Obligation no.	Obligation reference	Obligation description	Observation and findings
		event conditions, and conveying the conclusions of such assessment to the local authorities involved, for the information of those authorities in relation to their responsibilities for management of the major (as described in Australian Rainfall and Runoff (1987) elements of the major/minor system infrastructure.	
190	Water Services Act, 2012 Section 12 Schedule 2 clause 4.1.8	The licensee will ensure all new rural drainage is managed through the setting of building floor levels and road infrastructure complies with the Rural Drainage Manual of Standards 1977. The licensee shall endeavour to operate and maintain its rural drainage infrastructure so that	Through interviews with the Team Leader - Drainage and a review of the <i>"Flood Register"</i> , we noted that there were no instances during the review period where the period of inundation on any land exceeded 72 hours, and as such, no action was required by the Water Corporation. Therefore, a control assessment for this obligation was not performed and cannot be rated for compliance.

Obligation no.	Obligation reference	Obligation description	Observation and findings
		<p>the period of inundation to land abutting a drain that forms part of the system shall be a maximum of 72 hours. If the period of inundation should exceed 72 hours the licensee must carry out an investigation of the adequacy of those operations and maintenance procedures. An exception is those low lying land areas where the contours make this impossible or where detention basins have been constructed for the retention of water for longer periods. Low lying areas include those areas within lots which abut the drain, which would normally not readily drain to the drain. However, land</p>	

Obligation no.	Obligation reference	Obligation description	Observation and findings
		<p>that would normally drain to the drain, but where this is prevented by high flow levels in the drain, will be subject to the maximum 72 hour inundation period. This inundation period shall apply provided multiple storm events do not increase flow levels in the drains above the rural drainage infrastructure discharge points. The drainage system serves the general drainage requirements of rural properties in the</p> <p>Drainage Services Control Areas and there will be no obligation under this licence for the licensee to extend the service to other properties, "or serve urban drainage development within the</p>	

Obligation no.	Obligation reference	Obligation description	Observation and findings
		rural areas." The licensee will ensure all new rural drainage infrastructure complies with the Rural Drainage Manual of Standards 1977.	
190	Water Services Act, 2012 Section 12 Schedule 2 clause 4.1.9	<p>The following flood protection works will be operated and maintained to cater for the peak flows of stormwater runoff from individual rainfall events set out below.</p> <p>Preston River levees at Bunbury - Leschenault inlet to Picton bridge = 1 in 100 years;</p> <p>Vasse River Diversion in Busselton = 1 in 20 years.</p>	<p>Through interviews with the Team Leader - Drainage, we noted that assets located in the Southwest Region are considered flood protection works and not urban or rural drainage schemes.</p> <p>The geotechnical report for the Preston River Flood Levees and Vasse River Diversion concluded that the levees, in their current state, are likely capable of withstanding modest flood loading. This is because these levees have most likely experienced several flood events with various peaks, flow velocities, and durations over time.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>

Obligation no.	Obligation reference	Obligation description	Observation and findings
190	Water Services Act, 2012 Section 12 Schedule 2 clause 5.1.1	The licensee must supply water that is suitable for irrigation purposes.	Through interviews with the Manager - Operations Compliance and a review of the <i>"Drinking Water Sampling Procedures"</i> and the <i>"Field and Laboratory Test Procedures"</i> , and sample test reports, we noted that to verify that water that is suitable for irrigation purposes, the Water Corporation sends water samples for analysis to an external contracted laboratory, namely SGS Australia. Employees involved in taking water samples for testing at the laboratory are trained in the sampling processes. Testing and analysis of the water samples are conducted on a regular basis. Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.
190	Water Services Act, 2012 Section 12 Schedule 2 clause 5.1.2	The licensee must provide at least 5 business days' notice to a customer of any planned service interruption.	Through interviews with the Manager - Operations Compliance and a review of the <i>"NWR Ord Irrigation Customer Notifications Work Instruction"</i> , we noted that the Northwest Region creates a communication plan each time there is a need to share a notification. The notifications are disseminated via email, newspapers, radio, social media, and phone calls. This notification link is saved in the NWR Ord Irrigation Register of Customers spreadsheet on the Record of Notifications tab. We observed that during the review period, there was only one (1) planned interruption, for which notification was provided at least five days before the event. Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.
190	Water Services Act, 2012 Section 12 Schedule 2 Clause 5.1.3	The licensee must comply with the standards set out below: – < 1,200 mg/L TDS irrigation water quality > 90 percentage of customers given 5 days'	Through interviews with the Manager - Operations Compliance, we noted that to monitor water quality, the Water Corporation obtains samples at the monitoring point - Kununurra Irrigation Channel Flume, on a quarterly basis. Upon review of the sample testing reports, we observed that the TDS for irrigation water quality was less than 1,200 mg/L. The Water Corporation is required to submit performance data on the Ord Irrigation Scheme to the Economic Regulation Authority annually in October, which includes reporting the total number of interruptions and the percentage of customers notified of an interruption within 5 business days. We observed that during the review period, there was only one (1) planned interruption, for which notification

Obligation no.	Obligation reference	Obligation description	Observation and findings
		notice of a planned interruption.	<p>was provided at least five days before the event, leading to 100% compliance.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>
190	Water Services Act, 2012 Section 12 Schedule 2 clause 6.1.1	<p>In cases where services are provided by agreement to farms the licensee must provide annual notifications to customers of the conditions under which the service is supplied as detailed as follows:</p> <ul style="list-style-type: none"> – Farmlands water services where services are provided by agreement and customers are notified of the conditions under which services supplied. <p>In every twelve-month period 95% of customers receiving</p>	<p>Through interviews with Manager - Policy & Compliance and review of <i>"Process for Farmland Properties"</i>, we noted that Farmland customers are provided with service conditions every 12 months. This is done through monitoring reporting refreshed daily.</p> <p>Upon review of 10 sampled farmland customers, we noted that notification was provided on an annual basis. We also noted, through the review of the Annual Performance Report for FY22-23, that 98.3% of customers were notified about the services within a twelve-month period.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>

Obligation no.	Obligation reference	Obligation description	Observation and findings
		<p>these services were notified of the conditions under which water was supplied.</p> <p>Schedule 2</p>	
190	<p>Water Services Act, 2012 Section 12</p> <p>Schedule 2 Clause 6.1.2</p>	<p>Subject to customers complying with licensee requirements the licensee must ensure that customers connected to its Farmlands Water Systems shall have, at the outlet of the water meter to their property, a water pressure and flow detailed as follows:</p> <ul style="list-style-type: none"> – Farmland services supplied from the Goldfields and Agriculture Water Supply, the Great Southern Town Water 	<p>Through interviews with the Manager - Operations Compliance, it was noted that the Water Corporation has developed instructions in "Monitoring Flow & Pressure on Farmlands & Rural Water Supply Services" to investigate complaints from customers regarding low pressures or flows at Farmlands or Rural Water Supply Services.</p> <p>Additionally, the Water Corporation measures compliance with this obligation based on the infrastructure design model and by calculating the ratio of complaints received to the number of Farmland properties that receive water services.</p> <p>Upon review of the complaint records, we noted that during FY 2022-23, the Water Corporation achieved 99.88% compliance with water flow and pressure, and in FY 2023-24, compliance was at 99.95%.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>

Obligation no.	Obligation reference	Obligation description	Observation and findings
		<p>Supply</p> <p>Scheme and Mid-West Region:</p> <ul style="list-style-type: none"> – Minimum static pressure (metres of water) - not applicable – Maximum static pressure (metres of water) - 200 – Minimum flow - 3kL/day per service <p>Rural Water Supply Schemes:</p> <ul style="list-style-type: none"> – Minimum static pressure (metres of water) - not applicable – Maximum static pressure (metres of water) - 200 – Minimum flow - 1.8kL/day per service – Farmlands area water systems - pressure and flows are kept within 	

Obligation no.	Obligation reference	Obligation description	Observation and findings
		<p>the acceptable range</p> <ul style="list-style-type: none"> – From complaints received, the number of services with confirmed water pressure/flow faults divided by total number of water service connections expressed as a % and then subtracted from 100. – The flow rate and dynamic pressure is measured at the meter over a period, so as to confirm the available flow <p>meets the minimum standard.</p> <ul style="list-style-type: none"> – Maximum pressure is measured as a static pressure (no flows) at the same point. – Does not include poor pressure due to bursts or planned activities. 	

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		– In the preceding 12-month period 99.8% of farmlands water systems customers have, at the outlet of the water meter to their property, a water pressure and flow as listed above			
191	Water Services Code of Practice (Family Violence) 2020 Clause 5(1)	The licensee must have a family violence policy that sets out the matters specified in clause 5(1).	Priority: 2	Control adequacy: B	Compliance rating: 2
			<p>Through interviews with the Manager Policy & Compliance and a review of the Water Corporation website, we found that the "<i>Family Violence Policy</i>" is publicly accessible. The policy includes provisions as specified under Clause 5(1) of the "<i>Water Services Code of Practice (Family Violence) 2020</i>." The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Report for the 2022-23 period.</p> <p>During the 2022 Operational Audit, it was identified that the Family Violence Policy did not adequately address some clauses. For instance, the policy lacked details on informing customers about external support services (Clause 5(1)(b)), a process for identifying affected customers without requiring them to repeat their situation (Clause 5(1)(c)), measures to protect customers' family violence information (Clause 5(1)(d)), procedures for addressing payment difficulties and financial hardship (Clause 5(1)(e)), and a method for requesting written evidence when necessary (Clause 5(1)(g)).</p> <p>This occurred due to human error and oversight. The Water Corporation followed an approved template for creating the policy, which was not cross-referenced to ensure compliance with the requirements of Clause 5(1).</p> <p>On 26 June 2023, the Water Corporation reviewed, updated, and published the revised Family Violence</p>		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
			<p>Policy on its external website.</p> <p>Upon review of the Family Violence Policy, we noted that the updated Family Violence Policy still lacks the information required by Clause 5(1)(f) regarding Debt Management and Recovery as stipulated in the Water Services Code of Practice (Family Violence) 2020. Following the audit's identification of this issue, the Water Corporation has since updated, approved, and published the necessary revisions on their website.</p> <p>Based on interviews and a review of the documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p> <p>See below for links to the website:</p> <ul style="list-style-type: none"> Our commitment against family violence: https://www.watercorporation.com.au/About-us/Our-commitments/Family-violence-policy Water Services Code of Practice (Family Violence) 2020: https://www.legislation.wa.gov.au/legislation/statutes.nsf/law_s52726.html 		
193	Water Services Code of Practice (Family Violence) 2020 Clause 6	A licensee must publish its family violence policy on its website and provide a hard copy of the policy to a customer on request and at no charge.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the Water Corporation website, we noted that the “<i>Family Violence Policy</i>” is publicly available.</p> <p>Upon confirmation from the Manager Policy & Compliance, we noted that there were no hard copy requests for this document during the audit period.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
194	Water Services	A licensee must review	Priority: 4	Control adequacy: A	Compliance rating: 1

Obligation no.	Obligation reference	Obligation description	Observation and findings		
	Code of Practice (Family Violence) 2020 Clause 7	its family violence policy at least once in every 5-year period, and additionally, if directed to do so by the Minister.	<p>Through interviews with the Manager Policy & Compliance and review of the <i>"Family Violence Policy"</i>, we noted that the policy is scheduled for review every five years.</p> <p>Upon review, we noted that the Water Corporation had updated their policy in February 2021, June 2023, and in May 2024.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
195	Water Services Code of Practice (Family Violence) 2020 Clause 8(1)	A licensee must maintain adequate records in relation to compliance with this code or any policy made under the code. If the licensee is a government organisation, as defined in section 3(1) of the State Records Act 2000 (WA), then records must be maintained in accordance with its obligations under that Act.	Priority: 4	Control adequacy: A	Compliance rating: 1
			<p>Through interviews with the Manager Policy & Compliance and a review of the <i>"Record Keeping Plan"</i>, we noted that, as per the State Records Act 2000 (WA), the Water Corporation is classified as a 'Certain Government Organisation' and adheres to a Record Keeping Plan in compliance with the Act. This plan includes guidelines for the frequency and retention of website snapshots, as outlined in Section 2.2.7, to meet record-keeping requirements.</p> <p>The Family Violence Policy and related documents are stored in the Water Corporation's Nexus system. As outlined in Section 2.2.6 of the Record Keeping Plan, documents removed from the Nexus system remain retrievable from the Amazon S3 Bucket using metadata, ensuring ongoing compliance with record-keeping obligations.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>		
197	Water Services Code of Practice (Family Violence) 2020 Clause 9	When a customer affected by family violence first contacts a licensee about a	Priority: 1	Control adequacy: B	Compliance rating: 2
			Through interviews with the Manager Policy & Compliance and a review of the work instruction <i>"Family Violence - Financial Support Work Instruction"</i> , we noted that the Water Corporation is required to inform		

Obligation no.	Obligation reference	Obligation description	Observation and findings		
		particular matter relating to the family violence, the licensee must inform the customer of the existence and operation of the licensee's complaints procedure under clause 46 of the Water Services Code of Conduct (Customer Service Standards) 2018.	<p>the customer about the complaints process during the initial call. Before transferring the call to Financial Support, the consultant must advise the customer by saying, <i>"Before I transfer you to our dedicated support team, I want to inform you that if you're not satisfied with the handling of your query today, you have the option to file a formal complaint online or by phone, which are investigated within 15 business days."</i></p> <p>The compliance obligation was self-reported as non-compliant by the Water Corporation in the Annual Compliance Reports for 2022-23 and 2023-24. This was due to the sensitive nature of calls related to family violence, which historically made it inappropriate to notify customers about the complaints handling procedure at the time of first contact.</p> <p>In May 2024, the Water Corporation revised its scripting, updated its control documentation, and provided training to relevant staff to enable compliance with this obligation. However, the Water Corporation has confirmed that compliance with this obligation is not always possible due to the sensitive and confronting nature of the calls.</p> <p>We further noted that the responsible staff may find it difficult to find an appropriate opportunity to inform customers about the Water Corporation's complaints procedure.</p> <p>Review of 15 sampled family violence customers' call recordings confirmed that complaint information was adequately provided to eight (8) out of 15 customers.</p> <p>Based on interviews and a review of the documents, it was concluded that there were generally adequate controls, and the Water Corporation was non-compliant with the obligation during the audit period, resulting in a minor impact on customers or third parties.</p>		
198	Water Services Code of Practice (Family Violence) 2020 Clause 10	A licensee must ensure that its website contains a link that provides access to the current version of the	Priority: 4	Control adequacy: A	Compliance rating: 1
			Through interviews with the Manager Policy & Compliance and a review of the Water Corporation's website (https://www.watercorporation.com.au/About-us/Our-commitments/Family-violence-policy) , we noted that the link to the document "Water Services Code of Practice (Family Violence) 2020" is present on the		

Obligation no.	Obligation reference	Obligation description	Observation and findings
		code as it appears on the website that is maintained by or on behalf of the Western Australian Government and that provides public access to electronic versions of Western Australian legislation.	<p>Water Corporation's website.</p> <p>Upon clicking the hyperlink, we verified that it directs to a website maintained by the Western Australian Government, which provides public access to electronic versions of Western Australian legislation.</p> <p>Additionally, we noted that the latest version of the hardship policy, the document "<i>Financial Hardship Policy for Water Services</i>" relating to the year 2024, is also publicly available on the Water Corporation's website.</p> <p>Therefore, it is assessed that the Water Corporation has complied with the obligation during the audit period.</p>

Appendices

A. Audit Priority Rating Scale

Table A.1: Audit Priority Rating Scale

		Preliminary Adequacy of Existing Controls		
		Weak	Medium	Strong
Inherent Risk	High	Priority 1	Priority 2	
	Medium	Priority 3	Priority 4	
	Low	Priority 5		

Table A.2: Sample Testing Guide

Audit Priority Rating	Example Audit Procedures
1	<ul style="list-style-type: none"> Controls testing and extensive substantive sample testing of activities and/or transactions Follow-up and re-test matters previously reported (if any).
2	<ul style="list-style-type: none"> Controls testing and moderate substantive sample testing of activities and/or transactions Follow-up and re-test matters previously reported (if any).
3	<ul style="list-style-type: none"> Controls testing with limited sample size. Further substantive testing of transactions only if further control weakness found Follow-up and re-test of matters previously reported (if any).
4	<ul style="list-style-type: none"> Confirmation of existing controls via observation and walk-through testing Follow-up of matters previously reported.
5	<ul style="list-style-type: none"> Confirmation of existing controls via observation, interviews with key staff and reliance on key references and process walkthrough (desktop review).

B. The Water Corporation's Stakeholders Who Participated in the Audit

Department/Teams to be interviewed	Name of Process Owners	Position of Process Owners
Asset Investment Planning		Team Leader - Drainage
		Manager - Assets Metro Networks
		Senior Principal - Regional Water Networks
Asset Strategy		Manager - Regulation & Research
		Manager - Asset Management System & Risk
		Principal - Asset Management System
Customer & Community Relations		Lead - Demand Programs
		Senior Advisor - Demand Programs
Customer Billing Operations & Customer Service		Manager - Business Operations
		Manager - Policy & Compliance
		Lead - NSW Policy & Compliance
		Snr Adv - Policy & Compliance
		Snr Adv - Policy & Compliance
		Team Leader - Financial Support
		Team Leader - Rating Services
		Team Leader - Credit Operations
		Manager - Customer Hub
		Team Leader - Customer Dispute & Resolution
		Senior Advisor - Business Management
Engineering		Head of Engineering
Financial Services		Manager - Financial Accounting & Reporting
Integrated Operations		Manager - Operations Compliance
		Senior Advisor - Operations Delivery
		Specialist - Operations Performance
		Senior Principal - Executive Operations Program
Legal Services		Manager - Legal Services
Maintenance & Reliability		Manager - Reliability & Capability
Operation Services		Manager - Metering Services
		Team Leader - Metro Field Support (acting)
		Specialist- Business Performance & Assurance
Project Management		Team Leader - Best Practice
		Senior Officer - Best Practice
Property & Procurement		Team Leader - Property Acquisitions
		Specialist – Property Portfolio
Risk & Assurance		Manager - Regulation & Compliance
		Specialist - Water Services Licence
Mid-West Region (Geraldton Office)		Team Leader Operations Services

		Operations Manager
		Team Leader - Civil
		Regional Coordinator

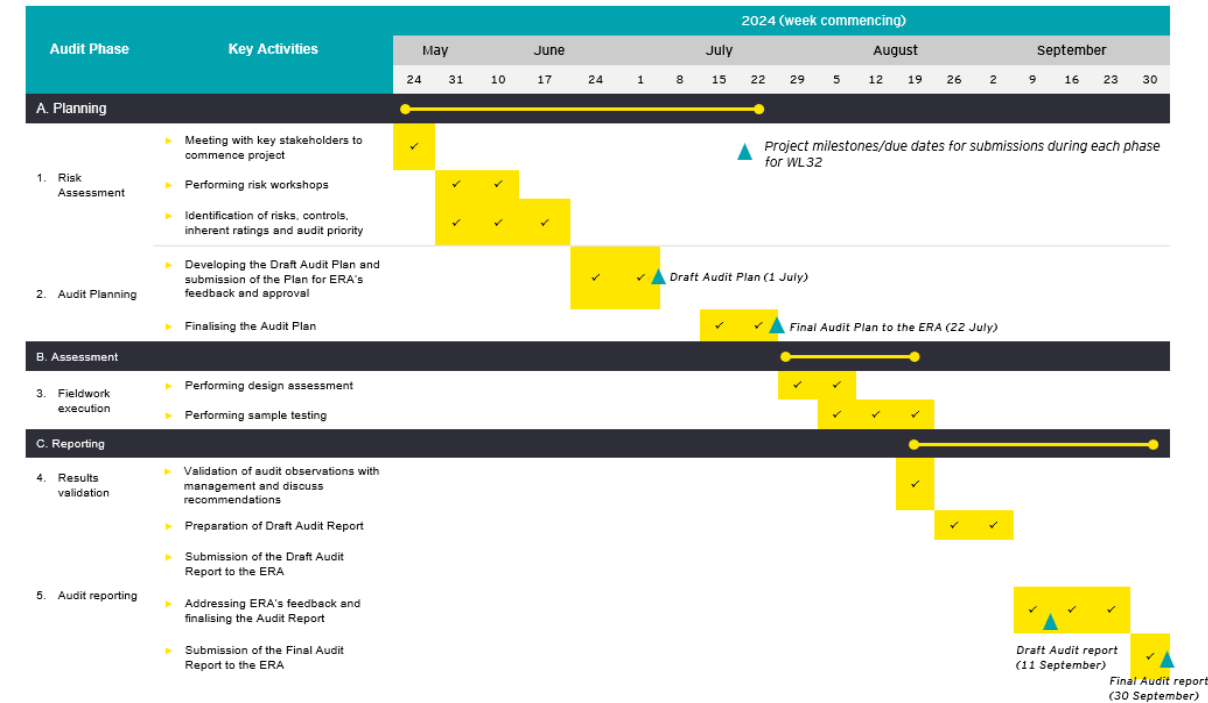
C. List of Key Documentation Examined

Sr. No.	List of Documents
1	Compliance policy, standard procedures and framework documents
2	Annual compliance and performance Reports for 2022/2023
3	<p>Work instructions, policies, and procedures for the following processes:</p> <ul style="list-style-type: none"> • Service connections • Drainage connects • Building and service application • Identification of engineering assets • Asset maintenance • Asset management system • Decommissioning and disposal • Supplier of last resort • Minimising water disruption • Compliance notice process • Payment difficulty and financial hardship • Complaint handling • Family violence • Call centre • Bill review • Recovery of overdue debt
4	Post-audit Implementation Plan (PAIP) progress reports
5	The Water Corporation's WL32 Reporting Datasheets for 2022/2023
6	<p>Population transaction details from 1 July 2022 to 30 June 2024 for the following:</p> <ul style="list-style-type: none"> • New connections and disconnections and reconnections • Customer complaints • Customer master data • Incidents and events • Land disposals • Property records • Undercharge/overcharge • Notifications
7	Water compliance reporting manual
8	<p>Documentation that would be reviewed during the site visit (Geraldton office)</p> <ul style="list-style-type: none"> • Sample of 48 hours' notice provided to the occupiers • List of works performed that were related to opening or breaking up the surface • Sample breaking of road surface notification • Reinstatement spreadsheet maintained by each District • List of authorised officers appointed during the audit period and information on Certificate of Authority issued to them • Authorised Officers Register on Water Net • New Service Quick Reference Sheet • New Service/Meter Feedback - Asset Viewer - Quick Reference Sheet • Warrant Register

Sr. No.	List of Documents
	<ul style="list-style-type: none"> Sample survey shared with the customer after completion of work Sample evidence of ex-gratia payment made to the customer Sample certificate of authority provided

D. Work Schedule

The following diagram depicts the work schedule and timeline for the Audit fieldwork and reporting activities.



E. EY Audit Team and Effort Profile

Team member	Position and Role	Total hours
Michael Rundus	Partner, Quality Review and Signing	10
Isabella Cheong	Director, Quality Assurance	20
Nabendu Sharma	Senior Manager, Fieldwork Lead	50
Rahul Kamodiya	Manager, Fieldwork Support	120
Khunshaw Khan	Senior Consultant, Fieldwork Support	180
Nishesh Kumar	Senior Consultant, Fieldwork Support	180
Total		560

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