



Economic Regulation Authority

Section 31

Water Services Act 2012 (WA)

RECTIFICATION NOTICE

To: TMC Witchcliffe Pty Ltd (ABN: 66 632 933 263) (**TMC Witchcliffe**)

GCM Group

563 Hay Street

DAGLISH WA 6008

TAKE NOTICE that, pursuant to section 31(1) of the *Water Services Act 2012* (WA) (**Act**), by no later than 31 March 2025, you are required to rectify the contraventions of Water Services Licence Number 50 (**WL50**) set out in Schedule A to this Notice by 31 March 2025.

You are notified that if you do not comply with this Notice, then in accordance with section 31(4) of the Act, the Economic Regulation Authority (**ERA**) may, subject to section 32 of the Act, take one or more of the following actions:

- (a) Order TMC Witchcliffe to pay a monetary penalty fixed by the ERA but not exceeding \$150,000.
- (b) Remedy the failure to comply that gave rise to this rectification notice and seek to recover the cost of doing so from TMC Witchcliffe.
- (c) Amend WL50 in accordance with section 17 of the Act.

The Common Seal of the ERA was hereto duly affixed by the Chairman of the ERA on 26 February 2025:

Stephen Joseph Edwell
Chair

In the presence of:

Virginia Christie
Member



Attached:

Schedule A - Contraventions



Schedule A - Contraventions

1. Contravention of condition 4.1.1 of WL50

1.1 Clause 4 of WL50 states:

"4.1.1 Subject to any modifications or exemptions granted pursuant to the *Act* and this *licence*, the *licensee* must comply with any *applicable legislation*.

4.1.2 Subject to the provisions of any *applicable legislation*, the ERA may give the *licensee* a *notice* directing it to do any measure necessary to:

- (a) correct the breach of any *applicable legislation*; or
- (b) prevent the breach of any *applicable legislation* occurring again, and specify a time limit by which such action must be taken.

4.1.3 The licensee must comply with the *terms and conditions* of this *licence*."

1.2 Section 24 of the Act states:

"(1) It is a condition of every licence that the licensee must —

- (a) provide for an asset management system; and
- (b) give details of the system and any changes to it to the Authority; and
- (c) at least once in every period of 24 months (or any longer period that the Authority allows), provide the Authority with a report, by an independent expert engaged by the Authority, as to the effectiveness of the system.

(2) An asset management system must include the measures to be taken by the licensee for —

- (a) the proper maintenance of the water service works of the licensee; and
- (b) the provision and operation of the water service works specified in the licence and of other water service works necessary for the provision of the water service or services authorised by the licence."

1.3 The ERA is satisfied that TMC Witchcliffe has contravened condition 4.1.1 of WL50 as follows:

(a) Clause 4.1.1 of WL50 requires the licensee to comply with any *applicable legislation*.

(b) The report prepared by Quantum Assurance titled "TMC Witchcliffe Pty Ltd – 2023 Operational Audit and Asset Management System Review Report – Water Services Licence WL50" dated May 2024 (**Audit and Review Report 2023**) outlines asset management system deficiencies in Table B of section 4.7, and states on page 10:

"The review concluded that TMC Witchcliffe Pty Ltd does not have an effective management system due to the Asset Management Plan developed in 2017 requiring an update and the lack of some supporting documentation for the asset management system."¹

(c) As a result, TMC Witchcliffe did not provide for an asset management system that included the measures to be taken for the proper maintenance of its water service works for the period 4 November 2019 to 30 November 2023, and thereby did not

¹ [Audit and Review Report 2023.](#)



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meet the requirements of section 24(2) of the Act for its WL50 assets in contravention of condition 4.1.1 of WL50.

2. Rectification of contraventions

- 2.1 The ERA requires TMC Witchcliffe to rectify its failure to comply with condition 4.1.1 of WL50 on or before 31 March 2025 by implementing recommendations 14/2024(a) and (c) and 15/2024(a) as recommended by the auditor under “Auditors Recommendation” in Table B of section 4.7 of the Audit and Review Report 2023 in respect of TMC Witchcliffe’s assets associated with WL50.