

B. Unresolved at end of current review period				Final Response and actions		
Recommendation reference (no./year)	Process and policy deficiency / Performance deficiency (Rating / Asset management process & effectiveness criterion / Details of deficiency)	Auditor's recommendations	Action taken by the licensee by the end of the audit period	Action Proposed to be taken by licensee	Due Date	Accountable Role (Process Manager)
01/2025	B3 (1.9) Asset planning – Asset management plan is regularly reviewed and updated Asset Class Strategies and Asset Class Management Plans have not been updated as required.	Water Corporation should take action to review, and update as necessary, its Asset Class Strategies and Asset Class Management Plans in accordance with CorDocs and other relevant guidance, thereby ensuring that the forward plans remain up-to-date.	Water Corporation is aware that these documents are overdue and have commenced a review process. They have also indicated that they have “updated the Levels of Service Performance Hierarchy which is a key component of asset class strategies and management plans.”	Water Corporation has commenced a review of the Asset Class Strategies and Asset Class Management Plans and is developing an improvement schedule. Action 1.1 Develop a schedule of review and updates for strategies and plans. Action 1.2 Deliver prioritised schedule.	1.1 June 2026 1.2 December 2027	1.1 Head of Asset Strategy; Head of Asset Investment Planning 1.2 Head of Maintenance and Reliability; Head of Asset Investment Planning
02/2025	C2 (3.1) Asset disposal – Under-utilised assets are identified as part of a regular systematic review process. Water Corporation does not have a systematic review process for under-utilised assets. They are currently identified opportunistically through project delivering and reporting processes.	Water Corporation must establish a regular systematic review process to identify under-utilised assets. Current processes rely on the diligence of staff to identify under-utilised assets opportunistically through capital projects or reporting activities. An option would be to embed criteria for the identification of under-utilised asset in the existing processes.	N/A	Action 2.1 Review current process for identification of under-utilised assets. Action 2.2 Implement process improvements.	2.1 December 2026 2.2 December 2027	2.1 Head of Maintenance and Reliability 2.2 Head of Maintenance and Reliability
03/2025	B3 (4.2) Environmental analysis – Performance standards (availability of service, capacity, continuity, emergency response, etc.) are measured and achieved There has been negative trend in some key performance indicators, such as the number of unplanned interruptions per 1,000 properties for water supplies. B3 (4.4) Environmental analysis – Service standard (customer service levels etc) are measured and achieved Many of the corporate Levels of Service are not being achieved and many also have a negative trend.	Performance standards and Levels of Service must be tracked and where necessary strategies put into place to ensure that targets are met. For example, the number of unplanned interruptions per 1,000 properties for water supplies needs to be addressed to ensure that the negative trend is reversed.	Asset deficiencies are being identified and ranked by risk, to address those with the greatest potential to impact on performance standards and levels of service.	Water Corporation will continue tracking and analysing performance standards and Levels of Service through Corporate Performance Report (6 monthly), Levels of Service Report (annually), and Corporate Risk Report (annually). Action 3.1 Update Asset Management Strategy with Levels of Service performance gaps identified. Refer to Action 1.2, for addressing performance gaps.	3.1 June 2027	3.1 Head of Asset Strategy

04/2025	<p>A3 (6.2) Asset maintenance – Regular inspections are undertaken of asset performance and condition. Inspection programs are not being fully implemented, due to a lack of budget.</p> <p>A3 (6.3) Asset maintenance - Maintenance plans (emergency, corrective and preventative) are documented and completed on schedule. Maintenance plans are not being fully implemented, due to a lack of budget, resulting in a maintenance debt.</p> <p>A3 (10.5) Financial planning – The financial plan provides for the operations and maintenance, administration and capital expenditure requirements of the services. Notwithstanding the approach used to develop the budget/financial plan, it is apparent that it does not adequately provide for the operations and maintenance, administration and capital expenditure requirements of the services.</p> <p>A3 (11.3) Capital expenditure planning - The capital expenditure plan is consistent with the asset life and condition identified in the asset management plan. The investment program is not adequate to fully address the requirements for replacement of aging and/or deteriorating assets to an extent that reduces risk of failure and impact on service to an acceptable level.</p>	<p>Whilst it is acknowledged that Water Corporation is subject to a constrained budget, it should continue to take action as necessary to secure sufficient funding to fully provide for the operations and maintenance, administration and capital expenditure requirements of the services. The level of funding should be adequate to ensure that the risk of asset failure and impact on service is reduced to an acceptable level, i.e. it should be adequate to fully address the requirements for ongoing maintenance and the replacement of aging and/or deteriorating assets as necessary to meet this objective.</p>	<p>Water Corporation is working within a constrained budget and must prioritise the delivery of services to conform to these financial parameters. Capital project delivery and maintenance are prioritised based on risk to gain the greatest risk reduction possible through the implementation of the reduced programs. It has been demonstrated that Water Corporation is actively seeking additional funding through strategic engagement with Government in an attempt to address budget shortfalls.</p>	<p>Action: 4.1 Water Corporation will work with government, including through the annual state budget process, to secure operating and capital funding so that the forecast risk of asset failure and potential impact on services is considered acceptable and adequately addresses the requirements for ongoing maintenance and the replacement of aging and/or deteriorating assets.</p>	4.1 Annually	4.1 Head of Financial Services; Head of Asset Investment
05/2025	<p>B3 (7.2) Asset management information system – Input controls include suitable verification and validation of data entered into the system. The recommendation from a previous review was not closed out regarding the engineering out the source of data error and providing real-time data entry validation.</p>	<p>The Asset Data Model (ADM) has not been delivered, leaving no single source of truth for asset master data. This creates ongoing risk of duplicate records, inconsistent hierarchies, and manual corrections. The gap should be closed by completing ADM implementation and integration with Maximo and ESRI, or by adopting another suitable approach to engineer out sources of error in the work order lifecycle and ensure the completeness and integrity of all asset data. This should include real-time validation of data at the point of entry. Once these initiatives are complete, their effectiveness should be validated through defined success measures.</p>	<p>During the review period the Work Management Project was completed to implement Maximo as the work order platform, this will improve the quality of data in work orders.</p>	<p>Post the review period Water Corporation have continued to implement process improvements and enhanced controls to validate and verify data entered into core asset management systems.</p> <p>Action 5.1 Deliver prioritised data quality improvements through the asset registration process and real time capture of data in the field.</p> <p>Action: 5.2 Implement the improved asset data model through the Enterprise Resource Planning Program.</p>	5.1 December 2027 5.2 December 2028	5.1 Head of Asset Strategy; Head of Integrated Operations 5.2 Head of Asset Strategy; Head of Integrated Operations
06/2025	<p>B3 (10.1) Financial planning – The financial plan states the financial objectives and identifies strategies and actions to achieve those. The financial plan is prepared to be consistent with funding levels agreed with Treasury and does not necessarily provide for the full and effective implementation of the strategies identified to achieve its asset management objectives.</p>	<p>Whilst it is acknowledged that Water Corporation is subject to a constrained budget, in addition to structuring the financial plan to be consistent with funding levels agreed through negotiation with Treasury, the plan should also set out the funding required to fully and effectively implement the strategies identified to achieve its asset management objectives.</p>	<p>Internal documentation demonstrates that Water Corporation does develop “needs based” budgets as part of its internal analysis and prioritisation processes. Water Corporation also prepares and submits business plans that show “needs based” funding requirements as part of its negotiations with Treasury.</p>	<p>Action 6.1 Water Corporation will identify and communicate the funding required to fully and effectively implement the strategies and plans identified to achieve its asset management objectives through the annual Strategic Asset Plan.</p>	6.1 Annually	6.1 Head of Financial Services; Head of Asset Investment