

SHIRE OF JERRAMUNGUP POST AUDIT IMPLEMENTATION PLAN – OPERATIONAL AUDIT

B. Unresolved at end of current audit period			
Reference (no./year)	Non-Compliance/Controls Improvement (Legislative Obligation/Compliance Rating//Details)	Auditor's Recommendation	Management Action
01/2014	<p>Review of Rates Notices with Sewerage Charges <i>Water Services Code of Conduct (Customer Service Standards) 2013 Clause 18(2) – 18(6)</i> Non-compliant – minor impact</p> <p>The licensee must have a written procedure for the review of a bill on the customer's request. The Shire does not have a written procedure for review of a bill on the customer's request. The Consultant advised that no request for review of the rates notices relating to sewerage charges had been received during the audit period.</p>	<ol style="list-style-type: none"> 1. The Shire should develop a written procedure for review of bills (rates notices with sewerage charges). 2. The procedure should be made publicly available on the Shire's website and in hardcopy. 3. The procedure should include: <ol style="list-style-type: none"> a) what happens if the customer has been undercharged or overcharged; b) what the customer can do if dissatisfied with the outcome of the review c) that the customer may, but does not have to, use the licensee's complaints procedure before or instead of 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, to the State Administrative Tribunal. d) That the licensee must 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>Procedure will be included in the complaints handling policy which will be completed by August 2015.</p> <p>CEO</p>
02/2014	<p>Next Review of Financial Hardship Policy <i>Water Services Code of Conduct (Customer Service Standards) 2013 Clause 26(6)</i> Not rated (no activity)</p> <p>The Shire's Financial Hardship Policy was approved by the Authority on 16 May 2014 and is not due for review until 2019. The requirement to review the policy every 5 years is stated in the policy. However to ensure compliance with this requirement, the Shire's Compliance Schedule should be updated for the required policy review due date.</p>	<p>The Shire should update the Compliance Schedule for the financial hardship policy next review due date.</p>	<p>Completed</p>

B. Unresolved at end of current audit period

Reference (no./year)	Non-Compliance/Controls Improvement (Legislative Obligation/Compliance Rating//Details)	Auditor's Recommendation	Management Action
03/2014	<p>Complaints Procedure <i>Water Services Code of Conduct (Customer Service Standards) 2013 Clause 35(3),(4) & (6)</i> <i>Non-compliant – minor impact</i></p> <p>The Shire's Complaints Handling policy is silent on how complaints are to be lodged and recorded and on the time limits for responding to complaints.</p> <p>Also, the Shire's Policy – Complaints Handling does not inform the customer that they do not have to use the Shire's complaints procedure, provide details of procedures under the Act, and set out the costs and benefits to the customer if the use the complaint resolution procedure or instead of the procedures under the Act.</p> <p>The Shire's Policy – Complaints Handling is not publicly available. The auditor was unable to locate the Shire's Policy – Complaints Handling on the Shire's website or in the Shire's office.</p>	<ol style="list-style-type: none"> 1. The Shire should update its Complaints Handling policy to: <ol style="list-style-type: none"> a) provide for how the complaints are to be lodged and recorded and time limits for responding to complaints. b) state that a customer may, but does not have to, use the complaints procedure before or instead of the procedures under the Act i.e. applying to the Water Services Ombudsman or making an appeal from, or applying for a review of, the decision to the State Administrative Tribunal; c) in addition to an option of applying to the Water Services Ombudsman, list the option of making an appeal from, or applying for a review of, the decision that gave rise to the complaint to the State Administrative Tribunal; and d) set out the benefits to the customer, in relation to time and costs, if the customer chooses to use the complaints procedure before or instead of the procedures under the Act i.e. Water Services Ombudsman or State Administrative Tribunal. 2. The Shire should publish its Complaint Handling policy on its website as well as display the hardcopy of the policy in the reception area of the Shire's office. 	<p>Policy to be completed by August 2015.</p> <p>CEO</p>

B. Unresolved at end of current audit period

Reference (no./year)	Non-Compliance/Controls Improvement (Legislative Obligation/Compliance Rating//Details)	Auditor's Recommendation	Management Action
04/2014	<p>Performance and Compliance Reporting <i>Licence Conditions – Specific Clauses – Provision of Information Clauses 16.1 & 16.3</i> <i>Non-compliant – minor impact</i></p> <p>In accordance with the Water Compliance Reporting Manual April 2014, the Shire is required to submit to the Authority:</p> <ul style="list-style-type: none"> • Annual performance reports no later than 31 July for the reporting year ending 30 June; and • Annual compliance reports by 31 August for the year ending 30 June. <p>The auditor reviewed the Shire's correspondence with the Authority and the Compliance and Performance Reports for 2011/12, 2012/13, 2013/14 and noted the following exception:</p> <ul style="list-style-type: none"> • The Performance Report for year ended 30 June 2012 was submitted after the due date. This constituted a contravention of Schedule 5, clause 2.1 of the licence (version 2 dated 9 October 2009) that was not reported in 2013 Compliance Report. <p>The auditor reviewed the Shire's Compliance Schedule and confirmed that the required submission due dates for annual compliance and performance reports are correctly stated.</p>	<p>The Shire should ensure that all future Performance Reports are submitted to the Authority within the timeframes required.</p>	<p>The Shire has engaged an external consultant to undertake the reporting process and it is noted that all reports after 2012 were submitted on time.</p> <p>CEO</p>

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Reference (no./year)	Non-Compliance/Controls Improvement (Legislative Obligation/Compliance Rating//Details)	Auditor's Recommendation	Management Action
05/2014	<p>Compliance Register</p> <p><i>Licence Conditions – Specific Clauses – Provision of Information Clause 16.2</i></p> <p><i>Non-compliant – minor impact</i></p> <p>Section 9.3.2.3 of the Audit and Review Guidelines: Water Licenses July 2014 states that Authority expects licensees to maintain a compliance (or breach) register in respect of their licence conditions. The Shire's Consultant advised that they don't keep a compliance breach register.</p>	<p>The Shire should maintain a Compliance Breach register in respect of their licence conditions to ensure that all contraventions of the licence conditions for each financial year are reported to the Authority in the annual compliance report.</p>	Completed

B. Unresolved at end of current audit period

Reference (no./year)	Non-Compliance/Controls Improvement (Legislative Obligation/Compliance Rating//Details)	Auditor's Recommendation	Management Action
06/2014	<p>Internal Policies and Procedures relating to the Licence</p> <p><i>Water Services Act 2012 sections 82(4)&(5), 84(2), 87(2), 90(7), 119(2), 122(2), 128(4), 142, 143(2)&(3), 144(3), 145(2), 147(3)&(4), 151(1)-(3), 153(3), 173(4), 186, 187(1)-(3), 190(4)-(5), 218(2).</i></p> <p><i>Water Services Regulations 2012 – Reg. 85.</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2013 Clauses 16(2)-(5), 17(1)-(2).</i></p> <p>Licence – Clause 15(1)(d).</p> <p><i>Not rated.</i></p> <p>The licence includes compliance obligations in respect of water service works, notification to the Authority of general or major water service works within 10 business days, 48 hours' notice of entry to premises, issue of work order notices or compliance notices, warrants, under and over charges, memorials and objections.</p> <p>Although the audit confirmed these activities had not occurred in the audit period, there are no documented internal procedures that would ensure compliance with these conditions of the licence in future.</p>	<p>The Shire should develop and/or update internal procedures with the requirements under the licence re water service works, notification to the Authority of general or major water service works within 10 business days, 48 hours' notice of entry to premises, issue of work order notices or compliance notices, warrants, under and over charges, memorials and objections.</p> <p>The detailed compliance obligations listed in this report could be used as a reference.</p>	<p>The Shire undertakes to develop a Water Services Act Policy and Procedure manual to address these audit recommendations.</p> <p>This will be actioned by the Chief Executive Officer by June 30 2016.</p>

B. Unresolved at end of current audit period

Reference (no./year)	Non-Compliance/Controls Improvement (Legislative Obligation/Compliance Rating//Details)	Auditor's Recommendation	Management Action
07/2014	<p>Prescribed Information to be Available <i>Water Services Code of Conduct (Customer Service Standards) 2013 Clause 37(1)</i> <i>Non-compliant – minor impact</i></p> <p>The licensee must make the prescribed information publicly available. The definition of “publicly available” per Clause 3 of the Water Services Code of Conduct is website and hardcopy.</p> <p>The Shire’s website as well as annual Rate Notice contain information about fees and charges, bill payment methods and the fees and charges associated with each options and the exemptions, discounts, rebates and concessions that are available to customers.</p> <p>However, this does not include all of the “prescribed information” set out in Section 37 of the Code. The “prescribed information” includes the water services fees and charges, bill payment options, concessions, enquiry/translator services, powers of access to premises, interruptions to supply, etc.</p> <p>The missing information could be provided by obtaining a copy of the Department of Water’s Easy Reference Guide to the Water Services Code of Conduct and making this available on the Shire’s website and in hardcopy at the Shire’s office.</p>	<p>The Shire should provide a copy of the Department of Water’s Easy Reference Guide to the Water Services Code of Conduct on the Shire’s website and in hardcopy at the Shire’s office.</p>	<p>To be completed by June 2015</p> <p>CEO</p>

SHIRE OF JERRAMUNGUP POST REVIEW IMPLEMENTATION PLAN – ASSET MANAGEMENT SYSTEM REVIEW

B. Unresolved at end of current review period			
Reference (no./year) Compliance rating	Asset System Deficiency (AMS Component/Effectiveness Criteria/Details)	Auditor's Recommendation	Management Action
08/2014 C3	<p>Asset Operation <i>Operational policies and procedures are documented and linked to service levels required.</i></p> <p>The Shire's scheme includes a gravity reticulation system, a treatment plant and an effluent re-use scheme. The Asset Management Plan includes an overview of the operations of the sewerage and effluent re-use system. The manufacturers' operating instructions/manuals are kept and used by Works staff.</p> <p>The procedures include the components of the overall system including sewerage collection system (reticulation and pumping), Wastewater Treatment Plant, disposal of treated sewerage through evaporation to the environment and the effluent re-use storage pond/treatment and reticulation/re-use. The effluent re-use scheme is not currently in use.</p> <p>In April 2014, the Department of Health (DOH) performed an assessment of the scheme against the <i>Guidelines for the Non-Potable Uses of Recycled Water in WA (dated August 2011)</i> and issued a Water Recycling Assessment Report to the Shire. The Assessment Report noted several non-compliances with the Guidelines and areas for further improvement. The main issues related to the disinfection system such as chlorine gas not having interlocks and alarm system, no safety shower and eye wash station as per AS 4775:2007 and above ground pipes not the colour purple as per AS 3500.5:2003. Other issues noted related to a general lack of recycled warning signs at the WWTP, disinfection system, storage dam, storage tank and at the sports oval, and no monthly water quality sampling program in place, the need to clear the vegetation on the banks and inside the oxidation</p>	<p>a) The Shire should complete the following maintenance:</p> <ul style="list-style-type: none"> – vegetation over 1 metre tall on the banks of the primary storage pond should be removed, and if additional storage capacity is required, the vegetation inside the pond should be removed; – the fence around the storage dam should be fixed; – vegetation around the storage tank should be cleared; and – the pump shed needs some maintenance. <p>b) As per the Shire's advice to the Department of Health, the Shire should complete the proposed feasibility study of using only stormwater for the irrigation of the sports grounds.</p> <p>c) If the above study determines that the effluent re-use scheme should continue, the Shire should prioritise the remaining recommendations set out in the Department of Health Water Recycling Assessment Report and determine a plan for their implementation commensurate with</p>	<p>Vegetation Removal was completed on March 19th 2015.</p> <p>Funding has been sourced for the remainder of the works to be completed by September 2015. Responsible Officer – CEO</p> <p>Feasibility study and further investigation is being undertaken currently with the Department of Health. In the meantime a new chlorinator has been installed for the oval irrigation water. – Responsible Officer – Consultant Advisor to complete prior to June 30 2016.</p>

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	<p>pond as well as around the storage tank and pump shed and improvements to the fencing.</p> <p>Furthermore, the Assessment Report notes that the chlorine shed was locked and no inspection was possible at the time of the assessment. The Shire advised that since then they have inspected the chlorine shed and found that chlorine gas was never used to chlorinate the water. No data was available to determine the recycled water quality used before irrigation of the sport oval. The Assessment Report made 12 recommendations to the Shire to rectify the non-compliances and to improve operation of the scheme.</p>	urgency, risk and practicability.	
09/2014 B2	<p>Asset Operation</p> <p><i>Staff resources are adequate and staff receive training commensurate with their responsibilities.</i></p> <p>The current resources are not considered adequate as there is currently no dedicated resource internally to take effective operational control of the day to day maintenance of the system and to deal with planned and unplanned maintenance matters. The Leader Town Services is currently overseeing the operation and maintenance of the scheme, although this is not part of his duties.</p>	Due to the lack of internal resources, the Shire should consider engaging an external contractor to perform regular i.e. monthly checks of the scheme as per the planned maintenance program, to resume monthly water quality sampling program and to oversee the implementation of recommendations from the DOH's Water Recycling Assessment Report. The contractor should provide a monthly report to the Consultant for reporting to the Deputy CEO on the ongoing operation and maintenance of the scheme.	<p>Ongoing assessment of this will be undertaken and considered as part of the 2015/2016 budget. If funds for external contractors are not available a re-prioritisation of the town services team will be carried out. Water sampling has commenced on a monthly basis following the installation of the new water chlorinator.</p> <p>Responsible Officer – DCEO</p> <p>Expected completion date March 2016</p>
10/2014 B2	<p>Asset Maintenance</p> <p><i>Maintenance plans (emergency, corrective and preventative) are documented and completed on schedule.</i></p> <p>A comprehensive Routine Maintenance Plan has been included in the AMP. The maintenance schedule specifies maintenance tasks to be carried out and the intervals at which they need to be done. It provides a checklist of maintenance tasks but is reliant on the knowledge and ability of the person performing the maintenance to carry them out satisfactorily.</p>	The Shire should ensure that all specified maintenance tasks are carried out as per the Planned Work Program and in the intervals at which they need to be done. The completion of the maintenance should be documented in the Planned Maintenance schedule.	<p>Noted and will be implemented in accordance with budget for external contract resource or re-prioritisation of the town services team and discussed in recommendation 09/2014.</p> <p>Responsible Officer – DCEO</p> <p>Expected completion date March 2016</p>

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	<p>The unforeseen maintenance tasking is instigated by a telephone call-out system to the Shire Leader Town Services, who attends the site, assesses the requirements and arrange the immediate and follow-up actions and activities.</p> <p>The detailed Planned Work Program includes the planned and actual maintenance activities for each asset including sewerage collection system (reticulation and pumping), Wastewater Treatment Plant and effluent re-use ponds/treatment and reticulation/re-use.</p> <p>The Shire's wastewater scheme is a simple system which requires a basic level of asset management to maintain it in an effective condition. Although the assets are generally in good condition, apart from other operational issues, the DOH's Water Recycling Assessment Report also noted several maintenance issues such as the need to clear the vegetation on the banks and inside the oxidation pond as well as around the storage tank and pump shed, pump shed requires some cleaning and maintenance including the repair of the door and repairs and improvements to the fencing. These finding indicate a lack of maintenance, which could be due to not having a dedicated resource internally to take effective operational control of the day to day maintenance of the system.</p>		
<p>11/2014 B1</p>	<p>Contingency Planning <i>Contingency plans are documented, understood and tested to confirm their operability and to cover higher risks.</i></p> <p>The Asset Management Plan revision in June 2014 includes mitigation and contingency plans. These include all relevant components of the scheme including failure of access chambers, failure of mains/pipes, collapse or leakage at settlement pond/s, fencing and gates, failure of pump/s, sports oval tank rupture or leak, and major non-compliance with the licence conditions. The plan could also include the risk of</p>	<p>a) The Shire should update the Contingency Plan with the plumber and electrician contact details.</p> <p>b) The Shire should assess the risk of "failure of the disinfection plant for the recycled water" and update the contingency plans as necessary.</p>	<p>Plumber and electrician details have been updated and contingencies for failure of disinfection plans will be inserted into the plan before June 30 2016.</p> <p>Responsible Officer – DCEO Expected completion date June 2016</p>

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	<p>failure of the disinfection plant (or at least assess the risk) Staff involved in the operation of the scheme have been advised of the contingency plans, when the AMP was revised in June 2014. Also, confirmed with the Consultant that key staff have an understanding of the procedures, such as the calling of a plumber in the case of a pipe blockage, or an electrician in the case of a pump failure. However, the plumber and electrician contact details are yet to be included in the Contingency Plan.</p>		