

Shire of Lake Grace Post-Review Implementation Plan Update – March 2022

| Recommendation | Non-compliance / Controls improvement (Rating / License obligation reference number & license obligation / Details of non-compliance or inadequacy of controls) | Reviewer's recommendation | Action proposed to be taken by the licensee | Responsible person | Target completion date Updates in Green = Completed Updates in Red = Delayed |
|----------------|--|---|--|--------------------|--|
| 1/2022 | <p>Asset Creation/Acquisition C2</p> <p><i>Evaluations include all life-cycle costs.</i></p> <p><i>Projects reflect sound engineering and business decisions.</i></p> <p><i>Commissioning tests are documented and completed.</i></p> <p><i>Ongoing legal/environmental/safety obligations of the asset owner are assigned and understood.</i></p> <p>The Asset Management Plan (AMP) doesn't specifically refer to the process of life cycle cost evaluation for significant new investments. A brief checklist could be incorporated into the AMP to outline the aspects to be address for future asset acquisition, where appropriate for the new asset.</p> <p>There has been no opportunity to demonstrate the assessment of all of life cycle costing for new asset investment over the review period. However, this should be incorporated into the assessment of the effluent reuse system project which is currently in progress so that the capital, replacement and ongoing Operations</p> | <ul style="list-style-type: none"> The Asset Management Plan should be updated to include a checklist of the activities to be completed in evaluation and commissioning a new significant asset, including an assessment of the lifecycle costing and appropriate approvals. | <ul style="list-style-type: none"> ➤ Include a general checklist for the commissioning process in Section 4 of the AMP, as due to the rarity of significant new asset acquisitions any specific checklists can be rendered obsolete by emerging technologies. | TO | 30 June 2022 |
| | | <ul style="list-style-type: none"> The Asset Acquisition Checklist should include commissioning tests for significant new assets. | <ul style="list-style-type: none"> ➤ Same as above. | As above | As above |
| | | <ul style="list-style-type: none"> The Asset Acquisition Checklist should include obtaining any applicable Council approvals of asset acquisitions and projects. | <ul style="list-style-type: none"> ➤ Not required. Council approval of asset acquisitions does not need to be sought beyond inclusion of the acquisition in the Annual Budget. | N/A | Rejected |

| Recommendation | Non-compliance / Controls improvement (Rating / License obligation reference number & license obligation / Details of non-compliance or inadequacy of controls) | Reviewer's recommendation | Action proposed to be taken by the licensee | Responsible person | Target completion date Updates in Green = Completed Updates in Red = Delayed |
|----------------|---|---------------------------|---|--------------------|---|
| | <p>and Maintenance costs are understood and decisions on budgeting made in advance.</p> <p>The preliminary advice provided by a consulting engineer on the proposed effluent reuse scheme provides some evidence of sound decision making. A report to Council on the proposed project was not sighted and would be expected to demonstrate sound decision making more comprehensively.</p> <p>The AMP doesn't specifically refer to the need for commissioning tests for significant new investments. A brief checklist could be incorporated into the AMP to outline the aspects to be address for future asset acquisition, where appropriate for the new asset. The possible future capital works listed in section 2.3 would all benefit from commissioning.</p> <p>The AMP doesn't refer to legal/environmental/safety obligations as part of the Asset Acquisition Process. This could be addressed by some inclusion in an Asset Acquisition Checklist as discussed previously. Managing contractor and staff safety during a project should be addressed</p> | | | | |

| Recommendation | Non-compliance / Controls improvement (Rating / License obligation reference number & license obligation / Details of non-compliance or inadequacy of controls) | Reviewer's recommendation | Action proposed to be taken by the licensee | Responsible person | Target completion date Updates in Green = Completed Updates in Red = Delayed |
|----------------|--|---|--|--------------------|--|
| | with a project safety risk assessment (Safety in Design process) where hazards are identified and mitigations put in place, and contractors made aware of remaining risks for them to manage. | | | | |
| 2/2022 | <p>Asset Operations C2</p> <p><i>Assets are documented in an Asset Register including asset type, location, material, plans of components, and an assessment of assets' physical/structural condition and accounting data.</i></p> <p><i>Staff resources are adequate and staff receive training commensurate with their responsibilities.</i></p> <p>The fieldwork maintenance and operation activities are undertaken under contract with a local plumber. The condition of the pump stations and wastewater treatment plant indicate the field work is being reliably performed.</p> <p>The AMP contains a brief description of the regular operations activities to</p> | <ul style="list-style-type: none"> A procedure should be implemented to ensure the condition assessment reports are considered in the monthly maintenance tasks. For example, the leaking pipework at pump station adjacent to the caravan park. | <p>➤ Such condition assessments, being constrained only to pump stations and the Imhoff tank, would be covered under the "Additional notes" sections of the Monthly Maintenance checklist. Shire employees overseeing the maintenance of the sewerage system should look at any additional works reported on these checklists and make a determination as to whether they should be addressed in the following monthly maintenance (or earlier if deemed moderate to high risk). This procedure will be included into the AMP.</p> | TO | 30 June 2022 |

| Recommendation | Non-compliance / Controls improvement (Rating / License obligation reference number & license obligation / Details of non-compliance or inadequacy of controls) | Reviewer's recommendation | Action proposed to be taken by the licensee | Responsible person | Target completion date Updates in Green = Completed Updates in Red = Delayed |
|----------------|--|--|---|---------------------|--|
| | <p>undertake. However, the Shire is reliant on the single plumber to undertake these activities and to know in detail how to perform them. Some additional documentation of the work process (particularly for the pump station cleaning and Imhoff tank operation) will improve the ability to undertake these functions if the plumber is not available. It would be ideal for the Shire to identify someone on staff able to be trained as a backup person. A backup person should also receive some more formal training in the health and safe working practices with wastewater. TAFE courses for the water industry are available and contact with the Water Corporation's regional office at Albany may identify opportunities for the training.</p> <p>Contact with the Water Corporation is also recommended to establish how the Water Corporation could provide assistance in an emergency. Other Shire run sewerage schemes reference the Water Corporation as an emergency resource. It is noted the Water Corporation has a depot in Lake Grace.</p> <p>The plumber accompanied the reviewer with the inspections and</p> | <ul style="list-style-type: none"> The Shire should document more detailed work practices (the how to), including safe work procedures and backup planning for the possibility the plumber may not be available (such as, train an internal resource and/or discuss emergency support with Water Corporation). The Shire should require the plumber to provide a completed checklist of the operations and maintenance tasks completed each month via an online checklist provided as part of the monthly invoicing. | <ul style="list-style-type: none"> ➤ Research the feasibility of having a Water Corporation backup for plumbing works. The usage of a backup plumber is already written into the current plumbing works contract in cases where there is unavailability but explicit reference to this mechanism will be included in the AMP. ➤ Rather than use an online form for monthly maintenance checklist submission (additional cost to bear, another external account to manage), enforce the submission of the already provided printable template for monthly maintenance as a requirement for payment of scheduled maintenance. | <p>TO</p> <p>TO</p> | <p>31 August 2022</p> <p>Ongoing</p> |

| Recommendation | Non-compliance / Controls improvement (Rating / License obligation reference number & license obligation / Details of non-compliance or inadequacy of controls) | Reviewer's recommendation | Action proposed to be taken by the licensee | Responsible person | Target completion date Updates in Green = Completed Updates in Red = Delayed |
|----------------|---|---------------------------|---|--------------------|---|
| | <p>safety was part of the discussion. For example, the plumber enters the pump station wet wells at times and uses breathing apparatus and a backup person for this task. Although the operations (and maintenance) tasks have been successfully outsourced by the Shire, the Shire still retains responsibility for safety and some safe work procedures should be developed. A backup person should only undertake limited Operations and Maintenance tasks until safe working practice training is in place.</p> <p>Regardless of who is undertaking the fieldwork activities, a list of training requirements should be developed for that role.</p> <p>The plumber appears to be capable of resourcing the regular operations and maintenance activities, noting that some activities will require an extra person to be present for safety (e.g. to provide rescue if required). However, if the condition inspection work leads to an increase in maintenance activities additional contractors may be required.</p> <p>There should also be adequate evidence that the planned operations</p> | | | | |

| Recommendation | Non-compliance / Controls improvement (Rating / License obligation reference number & license obligation / Details of non-compliance or inadequacy of controls) | Reviewer's recommendation | Action proposed to be taken by the licensee | Responsible person | Target completion date Updates in Green = Completed Updates in Red = Delayed |
|----------------|---|--|---|--------------------|--|
| | <p>and maintenance tasks have been completed each month.</p> <p>Inspection of the pump station adjacent to the caravan park revealed the pump delivery pipework (flexible pipework) leaking into the pump station. The reviewer was advised this was occurring before the inspection and that it had been planned for replacement in the following week. The pump station (as all are in Lake Grace) is provided with duty and standby pumps so this was not a critical issue at the current time. A process for feeding the results of condition assessments into maintenance actions appears to be needed. Whilst the leaking pipework was planned to be resolved the corroded step iron issue was first noted in 2016 and no plan to attend to it appeared to be in place.</p> | | | | |
| 3/2022 | <p>Contingency Planning A3</p> <p><i>Contingency plans are documented, understood and tested to confirm their operability and to cover higher risks</i></p> <p>The Shire has a detailed Wastewater Asset Management - Contingency Plan (May 2021) with key contacts,</p> | <ul style="list-style-type: none"> As stated in the Asset Management Plan, the Wastewater Contingency Plans should be tested at least twice yearly by a desktop scenario exercise with the key participants. A summary of the test and any improvements should be retained. | <p>➤ A desktop test of the contingency plans should be undertaken twice a year. It should be done in May and October every year. This timing will be included into the AMP under section 10.5. Minutes of the testing and a register of changes made as a result of the testing will be</p> | TO | 31 October 2022 |

| Recommendation | Non-compliance / Controls improvement (Rating / License obligation reference number & license obligation / Details of non-compliance or inadequacy of controls) | Reviewer's recommendation | Action proposed to be taken by the licensee | Responsible person | Target completion date Updates in Green = Completed Updates in Red = Delayed |
|----------------|---|---------------------------|---|--------------------|--|
| | <p>emergency procedures and incident management procedures. This document is an expanded extract from the Asset Management Plan section 10, named Emergency Procedures. That section only covers the more critical emergencies, while this document includes less critical emergencies. The Plan is based on the Risk Assessment spreadsheet of the asset management database and provides background information to help Shire officers in making judgements on grey area situations or implementing preventative/proactive measures. Every incident that occurs needs to be recorded into the Incidents Register (a tab in the Incident and Complaint spreadsheet) and every work that is done as a result of this document is to be recorded in the Works Register (a tab in the Maintenance Management spreadsheet).</p> <p>The Asset Management Plan states in section 10.5 – Desktop Testing of Recovery Procedures that at least twice yearly the MIS and IS will conduct an inhouse workshop to examine the procedures necessary to respond to say, two theoretical written</p> | | <p>stored on the Shire's file server. These extra procedures will be made clearer in the AMP section 10.5 as well.</p> <p>➤ These dates for the testing have been selected for the reasons of identifying changes needed before the Shire undergoes budget workshops in June-August in case additional budget is required, and to test the systems before the holidays in December.</p> | | |

| Recommendation | Non-compliance / Controls improvement (Rating / License obligation reference number & license obligation / Details of non-compliance or inadequacy of controls) | Reviewer's recommendation | Action proposed to be taken by the licensee | Responsible person | Target completion date Updates in Green = Completed Updates in Red = Delayed |
|----------------|--|---------------------------|---|--------------------|---|
| | <p>emergencies prepared by the MIS who will guide but not lead the discussion.</p> <p>Participants should include the CEO, Technical Officer and a representative of the plumbing, electrical and pumping contractors who normally provide their services to the Shire.</p> <p>From discussions, the review noted that the Wastewater Asset Management – Contingency Plan has not been tested or any training sessions provided.</p> | | | | |