

BHP Nickel West Pty Ltd

**2024 Operational Audit
Water Services Licence WL52**

Report

**Economic Regulation Authority
January 2025**

TABLE OF CONTENTS

1. Independent Auditor's Report	3
2. Executive Summary	7
3. Operational Audit	9
3.1 Introduction.....	9
3.2 Objectives and Scope	9
3.3 Obligations not applicable	9
3.4 Audit Compliance and Controls Rating Scale	10
3.5 Summary of Audit Ratings of Controls and Compliance	10
3.6 Status of Previous Audit Recommendations	16
3.7 Detailed Audit Observations	21
3.8 Audit Recommendations	53
Appendix A - Methodology	55
A1. Audit Approach	55
A2. Key Documents Reviewed	56
A3. Key Contacts	57
A4. Consultants.....	57

Quantum Management Consulting and Assurance

ABN 83 083 848 168 Liability limited by a scheme approved under Professional Services Legislation

Level 28 AMP Tower, 140 St Georges Terrace, Perth **M.** PO Box 6882, East Perth WA 6892

T. 08 9278 2570 **F.** 08 9278 2571

E. mail@quantumassurance.com.au **W.** www.quantumassurance.com.au

Limitations of this Report

This report was prepared for distribution to the Economic Regulation Authority and BHP Nickel West Pty Ltd for the purpose of fulfilling BHP Nickel West's operational audit obligations under its Water Services Licence. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the Economic Regulation Authority and BHP Nickel West or for any purpose other than that for which it was prepared.

Because of the inherent limitations of any internal control environment, it is possible that fraud, error or non-compliance may occur and not be detected. An audit is not designed to detect all instances of non-compliance with the procedures and controls over the licence obligations of the Water Services Licence, since we do not examine all evidence and every transaction. The audit and review conclusions expressed in this report have been formed on this basis.

This page left blank.

1. Independent Auditor's Report

Scope

BHP Nickel West Pty Ltd ('BHP') has a Water Services Licence, issued by the Economic Regulation Authority ('ERA') under the *Water Services Act 2012* ('Act'), for the provision of potable water supply and sewerage services in the mining town of Leinster. There was one version (Version 2) of the Water License WL52 in operation over the audit period.

We have performed a reasonable assurance engagement on BHP Nickel West's compliance, in all material respects, with the conditions of WL52 and the *Water Services Act 2012* for the period from 1 October 2022 to 30 September 2024.

Our evaluation was made against the licence obligations listed in the Water Compliance Reporting Manual 2024 and previous version 2021, and in accordance with the ERA's 2019 Audit and Review Guidelines: Water Licences (updated August 2022).

The scope of this assurance work relates to assessing BHP Nickel West's systems and effectiveness of processes and regulatory controls to ensure compliance with the obligations, standards, outputs and outcomes required by the Licence issued under the Act.

Modified Opinion

In our opinion, based on the procedures performed as outlined in the Audit Plan approved by the Economic Regulation Authority and the evidence we have obtained, except for the effects of the matters described in the Basis for Modified Opinion paragraph below, BHP Nickel West has complied, in all material respects, with its licence conditions and relevant legislative obligations for the period 1 October 2022 to 30 September 2024.

Basis for Modified Opinion

During the period from 1 October 2022 to 30 September 2024, out of 126 applicable licence obligations, there were 13 non-compliances with a minor impact on customers. With 3 exceptions, these relate to the 2022 audit recommendations that were resolved in this audit period.

Reporting Manual number and Licence condition		Issue
<i>The following obligations were assessed as "Non-Compliant – Minor Impact".</i>		
10	<i>The licensee must comply with each code of practice made by the Minister to the extent to which it applies to the licensee.</i>	The auditor confirmed the 9 non-compliances with minor impact on customers noted in the previous audit were rectified by September 2023 (refer details below on each obligation). There was one new non-compliance with minor impact on customers noted in this audit period for obligation 154AA (effective from July 2024) – Preserved Supply Register information on website. With the exception of these minor non-compliances, BHP has complied with the <i>Water Services Code of Conduct (Customer Service Standards) 2024</i> (obligations 92 - 154D) and the <i>Water Services Code of Practice (Family Violence) 2020</i> (obligations 191 - 198) issued by the Minister.
148A	<i>The licensee's complaints procedure must list the procedures available to the customer under the 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).</i>	The complaints procedure in the Customer Charter – Leinster Drinking Water and Wastewater Services does not include any reference to requesting a review of any decision or the option to refer the complaint to the Energy and Water Ombudsman. <i>This issue was resolved in September 2023.</i>

Reporting Manual number and Licence condition		Issue
149	<i>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.</i>	The auditor confirmed with Manager – HSE that a hardcopy of the Customer Charter is available upon request and at no charge. However, the Customer Charter and the Managing Customer Feedback at Leinster Procedure could not be located on the BHP Nickel West website. <i>This issue was resolved in September 2023.</i>
153	<i>The licensee must make the prescribed information publicly available.</i>	
154A	<i>The licensee must ensure that its website contains a link to the current version of this 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.</i>	There is no link on the BHP Nickel West Leinster website to the current version of the <i>Water Services Code of Conduct (Customer Service Standards) 2018</i> on the WA legislation site. <i>This issue was resolved in September 2023.</i>
154AA	<i>A licensee must ensure that the specified information about Part 9 may be obtained from its website. (Effective from July 2024.)</i>	The audit could not locate the information for customers with special needs for water, about how to apply for inclusion in the Preserved Supply Register and the obligations of BHP in the event of a service interruption. This audit confirmed that the Preserved Supply Register was set up in February 2024, including customer engagement to inform the initial population of the Preserved Supply Register. There were zero nominations received through the customer engagement. The audit sighted the Preserved Supply Register with zero nominations. As there has been no nominations in the audit period, this is considered a minor non-compliance.
154B	<i>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.</i>	The Superintendent, HSSEM and onsite interviews confirmed there were no disconnections of any water supply to residences during the audit period. The auditor was unable to sight a Preserved Supply Register. <i>This issue was resolved in September 2023.</i>
155	<i>The licensee must pay the applicable fees and charges in accordance with the Economic Regulation Authority (Licensing Funding) Regulation 2014.</i>	The NiW compliance register has been updated with appropriate prompts to satisfy the previous audit recommendation. However, the payment for 2023/24 due by 30 September 2024 was not paid until November 2024.
184	<i>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 Health.</i>	The previous audit noted that the Memorandum of Understanding for Drinking Water with the Department of Health had not been finalised. The MoU was executed between BHP and DoH on 17 June 2024. The audit sighted the MoU. <i>This issue was resolved in June 2024.</i>
191	<i>The Licensee must have a family violence policy that sets out the matters specified in clause 5(1).</i>	The auditor was advised that BHP has not yet developed a Family Violence Policy that sets out the matters specified in Clause 5(1). The matters specified in the Code relate to account, payment difficulties, financial hardship, debt management and external support services. Although BHP does not bill customers for water services and there are no restrictions or disconnections of water supplies as all properties are leased by BHP to customers,
192	<i>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.</i>	

Reporting Manual number and Licence condition		Issue
193	<i>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.</i>	the Policy is still required to provide information about external support services available to the customer. <i>This issue was resolved in February 2024.</i>
198	<i>A licensee must ensure that its website contains a link that provides access to the current version of the 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.</i>	The BHP website does not have a link to the current version on the <i>Water Services Code of Practice (Family Violence Policy) 2020</i> . <i>This issue was resolved in August 2023.</i>

We conducted our engagement in accordance with Australian Standard on Assurance Engagements ASAE 3100 Compliance Engagements (ASAE 3100). We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

In accordance with ASAE 3100 we have:

- Used our professional judgement to plan our procedures and assess the risks that may cause material non-compliance with each of the compliance requirements to be concluded upon;
- Considered internal controls implemented to meet the compliance requirements; however, we do not express a conclusion on their effectiveness; and
- Ensured that the engagement team possess the appropriate knowledge, skills and professional competencies.

Summary of Procedures

Our procedures consisted primarily of:

- Utilising ERA's 2019 Audit and Review Guidelines: Water Licences ('the Guidelines') to develop a risk assessment;
- Developing an Audit Plan and an associated work program, approved by the ERA on 19 November 2024;
- Interviewing relevant BHP Nickel West staff to gain an understanding of process controls;
- Onsite visit to the water treatment facilities in Leinster, and conducting various meetings with stakeholders, including corporate services and works/facilities management personnel, to determine the effectiveness of systems and procedures in place and to compare actual performance against the licence standards.
- Assessing documents and performing walkthroughs of processes and controls to support the assessment of compliance and the effectiveness of the control environment in accordance with Licence obligations; and
- Performing procedures and testing based on the procedures listed in the approved Audit Plan.

How We Define Reasonable Assurance and Material Non-Compliance

Reasonable assurance is a high level of assurance but is not a guarantee that it will always detect a material non-compliance with the compliance requirements.

Instances of non-compliance are considered material if, individually or in the aggregate, they could reasonably be expected to influence relevant decisions of the intended users taken on the basis of the Licensee's compliance with the compliance requirements.

Inherent Limitations

Because of the inherent limitations of an assurance engagement, together with the internal control structure it is possible that fraud, error, or non-compliance with the compliance requirements may occur and not be detected.

A reasonable assurance engagement throughout the specified period does not provide assurance on whether compliance with the compliance requirements will continue in the future.

Use of this Assurance Report

This report has been prepared for BHP Nickel West and the ERA for the purpose of assessing compliance with the requirements of the Licence and may not be suitable for another purpose.

We understand that a copy of this report will be provided to the ERA for the purpose of reporting on the reasonable assurance engagement for the Licensee. We agree that a copy of this report may be provided to the ERA in connection with this purpose, but only on the basis that we accept no duty, liability or responsibility to the ERA in relation to the report.

We disclaim any assumption of responsibility for any reliance on this report, to any person other than the Licensee and the ERA, or for any other purpose other than that for which it was prepared.

Management's responsibility

BHP Nickel West's management are responsible for:

- The compliance activities undertaken to meet the requirements of the Licence;
- Identifying risks that threaten the compliance requirements identified above being met and identifying, designing and implementing controls to enable the compliance requirements to be met and, monitoring ongoing compliance;
- Ensuring that it has complied in all material respects with the requirements of the Licence;
- Establishing and maintaining an effective system of internal control over its systems designed to achieve its compliance with the Licence requirements;
- Implementing processes for assessing its compliance requirements and for reporting its level of compliance to the ERA; and
- Implementing corrective actions for instances of non-compliance (if any).

Our responsibility

Our responsibility is to perform a reasonable assurance engagement in relation to BHP Nickel West's compliance with its Licence requirements throughout the period and to issue an assurance report that includes our conclusion.

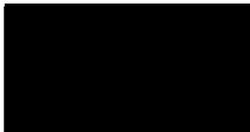
Our Independence and Quality Control

We have complied with our independence and other relevant ethical requirements of the *Code of Ethics for Professional Accountants* issued by the Australian Professional and Ethical Standards Board and complied with the applicable requirements of Australian Standard on Quality Control 1 to maintain a comprehensive system of quality control.

We confirm that the ERA's 2019 Audit and Review Guidelines: Water Licenses (updated August 2022) have been complied with in the conduct of this audit/review and the preparation of the report, and that the audit findings reflect our professional opinion.

This audit report is an accurate presentation of our findings and opinions.

Quantum Assurance



Geoff White CA
Director

25 February 2025

2. Executive Summary

BHP Nickel West Pty Ltd ('BHP') has a Water Services Licence, issued by the Economic Regulation Authority ('ERA') under the *Water Services Act 2012* ('Act'), for the provision of potable water supply and sewerage services in the mining town of Leinster.

Leinster is located in the northern Goldfields area of Western Australia, approximately 370 km north of Kalgoorlie on the Goldfields Highway and 650 kilometres northeast of Perth. Water supply and sewerage services to the Leinster Mine and Concentrator Site and the airport located 12 km and 8 km respectively to the north of town are not included in the licence.

BHP owns and operates the drinking water and sewerage infrastructure that services approximately 2,100 people in the township of Leinster. Leinster provides accommodation for employees and families of BHP, as well as contracting companies and government agencies that support the town. BHP has been operating and maintaining both systems at this site since 2005 and has implemented a number of upgrades and replacement of critical assets. All water services are provided to BHP employees, and others in the town without charge.

BHP Nickel West is currently working through a structural change at the Nickel Operations, following BHP's announcement on 11 July 2024 to place Nickel West into a 2 year period of Temporary Suspension. As a result of this decision, Nickel production at Leinster has ceased and BHP have been working actively to prepare the Operation for the temporary suspension state whereby maintenance and preservation activities will be conducted by a reduced workforce. Impacts to potable water and sewerage services are not expected as a result of this business change. However, it is important to note that the decision to place Nickel West into temporary suspension may impact the number of personnel involved in the operation / maintenance and governance of the potable water system in future.

BHP Nickel West is required to comply with the terms and conditions of their license. There was one version of the Water License WL52 in operation over the audit period being Version 2.

Under the Act, water services licensees are required to provide reports on an operational audit ('audit') and an effectiveness review of their asset management system ('review') once every 24 months, or another period that has been specified by the ERA. The next asset management system review is for 3 years to 30 September 2025 and is not part of this audit.

The audit approach is based on the compliance obligations set out in the Licence, applicable legislation, regulatory guidelines (Water Compliance Reporting Manual (July 2024) and previous version (2021) and the 2019 Audit and Review Guidelines: Water Licences (updated August 2022)).

The ERA engaged Quantum Management Consulting and Assurance ('Quantum Assurance') to undertake an operational audit of BHP Nickel West's water supply services, to comply with the licensing requirements of the ERA.

This audit has been conducted to assess the licensee's level of compliance with the conditions of its licence (WL52). The audit covers the period since the previous audit being 1 October 2022 to 30 September 2024.

Through the execution of the Audit Plan and assessment and testing of the control environment, the information system, control procedures and compliance attitude, the audit team members have gained reasonable assurance that BHP Nickel West has complied with its Water Services Licence obligations during the audit period from 1 October 2022 to 30 September 2024 except for some obligations rated as non-compliant with minor impact on customers.

Out of 126 applicable compliance obligations, the audit found:

- 29 obligations were rated compliant (25 with adequate controls and 4 with controls not reviewed).
- 13 obligations were rated non-compliant with minor impact (11 with adequate controls, as improvements have been made in this audit period to resolve the minor non-compliances and 2 with controls not reviewed)
- 84 obligations were not rated for compliance, as no relevant activity took place during the audit period (23 with adequate controls and 61 where controls were not reviewed).

There were 13 minor non-compliances of which 10 relate to the previous audit recommendations that were resolved in this audit period. The 3 minor non-compliances are:

- Obligation 10 – Compliance with the Codes of Conduct issued by the Minister (due to a minor non-compliance re obligation 154AA).
- Obligation 154AA (effective from July 2024) – providing information for customers with special needs for water, about how to apply for inclusion in the Preserved Supply Register and the obligations of BHP in the event of a service interruption.
- Obligation 155 – Late payment of an ERA licence fee due September 2024.

The control environment is considered to be effective to manage compliance with the licence conditions apart from ensuring that ERA licence fees are paid by the due date.

The audit confirmed that BHP Nickel West has complied with its information reporting obligations for the period 1 October 2022 to 30 September 2024.

3. Operational Audit

3.1 Introduction

BHP Nickel West Pty Ltd ('BHP') has a Water Services Licence, issued by the Economic Regulation Authority ('ERA') under the *Water Services Act 2012* ('Act'), for the provision of potable water supply and sewerage services in the mining town of Leinster.

BHP Nickel West is required to comply with the terms and conditions of their license. There was one version of the Water License WL52 in operation over the audit period being Version 2 (from 21 September 2021 to current).

Under the Act, water services' licensees are required to provide reports on an operational audit ('audit') and an effectiveness review of their asset management system ('review') once every 24 months, or another period that has been specified by the ERA.

The ERA engaged Quantum Management Consulting and Assurance ('Quantum Assurance') to complete an audit of BHP Nickel West's water supply and sewerage services, to comply with the licensing requirements of the ERA. The next asset management system review is for 3 years to 30 September 2025 and is not part of this audit.

This audit covers the period from the previous audit being 1 October 2022 to 30 September 2024.

3.2 Objectives and Scope

The audit approach is based on the compliance obligations set out in the Licence, applicable legislation, regulatory guidelines (Water Compliance Reporting Manual (July 2024) and previous version 2021 and the ERA's 2019 Audit and Review Guidelines: Water Licences (updated August 2022)).

To ensure consistency of reporting on audits and reviews, the guidelines require auditors to:

- Adopt a risk-based approach to auditing using the risk evaluation model set out in AS ISO 31000:2018.
- Use the compliance rating scales, set out in Table 6 of the guidelines, to assess compliance with licence conditions.
- Ensure the audit plan complies with Chapter 3 of the guidelines.
- Ensure the audit report complies with Chapter 5 of the guidelines.

The highest priority areas (priority 1, 2 or 3) based on inherent risk and the previous assessed controls/processes were:

Priority 1 (High)

- Preserved water supply register and restrictions on reduced supply (obligations 154B, 154CC, 154C and 154D).

As the previous audit noted there was no Preserved Supply Register relating to life support equipment, the obligations 154C and 154D relating to life support equipment have also been rated as "1" rather than "2" as per the Audit Plan.

Priority 2 (High)

- Cut off water supply to occupied dwelling (obligation 21).

3.3 Obligations not applicable

As noted in the Audit Plan, the following obligations are Not Applicable:

- Obligations 65 to 68 – Water Services Regulations 2013 - BHP does not have metering or charge for any potable water supply or sewerage services.
- Obligations 94 to 144 - Water Services Code of Conduct (Customer Service Standards) 2024 - BHP does not have metering or charge for any potable water supply or sewerage services.

3.4 Audit Compliance and Controls Rating Scale

The adequacy of controls and compliance with the legislative obligations was assessed using the following ratings.

Adequacy of Controls 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 impact on customers or third parties
C	Inadequate controls – significant improvement required	3	Non-compliant – moderate impact on customers or third parties
D	No controls evident	4	Non-compliant – major impact on customers or third parties
NP	Not performed – controls not assessed in the audit.	NR	Not rated – no activity in current period

3.5 Summary of Audit Ratings of Controls and Compliance

The current audit assessment of the ratings for the adequacy of controls and compliance with the 126 applicable legislative obligations is shown below in the summary table and detailed obligations table.

Summary of Audit Ratings of Control and Compliance

Controls rating	Compliance Rating						Total
	Rating	1 Compliant	2 Non-compliant (minor impact)	3 Non-compliant (moderate impact)	4 Non-compliant (major impact)	NR Not rated	
A - Adequate		25	11	-	-	23	59
B – Generally adequate		-	-	-	-	-	-
C - Inadequate		-	-	-	-	-	-
D – No controls		-	-	-	-	-	-
NP – Not performed		4	2	-	-	61	67
Total		29	13	-	-	84	126

Detailed Audit Ratings of Controls and Compliance by Obligation

The current audit assessment of the ratings for the adequacy of controls and compliance with the legislative obligations is shown below.

No. ¹	Brief Description	Legislative Reference	Audit Priority applied (rated 1 = High to 5 = Low)	Adequacy of Controls Rating ² (A=Adequate, B=Generally adequate, C=Inadequate, D=No controls, NP=Not performed)					Compliance Rating (1=Compliant, 2=Non-compliant - minor impact, 3=Non-compliant – moderate impact, 4=Non-compliant - major impact, NR=Not rated)				
				A	B	C	D	NP	1	2	3	4	NR
Water Services Act 2012													
2	Terms of service	Sec. 21(1)(b)	4					✓				✓	
3	Provision of services	Sec. 21(1) (c)	4	✓					✓				
4	Operating area	Sec. 22	4					✓				✓	
5	Outsourcing of services	Sec. 23	4	✓					✓				
6	Asset management system	Sec. 24(1)(a) & 24(2)	4	✓					✓				
8	Asset management system review	Sec. 24(1)(c)	4	✓					✓				
8A	Asset management system – asset maintenance	Sec. 24(2)	2	✓					✓				
9	Operational audit	Sec. 25	4	✓					✓				
10	Code of practice	Sec. 26(3)	4	✓						✓			
13	Termination of service	Sec. 36	4					✓				✓	
14	Supplier of last resort	Sec. 60	4					✓				✓	
15	Ombudsman scheme	Sec. 70(2)	4					✓	✓				
16	Interruption of water supplies	Sec. 77(3)	4	✓					✓				
17	Notification of building works	Sec. 82(4) & (5)	4					✓				✓	
18	Ensuring water service works are done	Sec. 84(2)	4					✓				✓	
19	Review of decisions	Sec. 87(2)	4					✓				✓	
20	Construction near water service works	Sec. 90(7)	4					✓				✓	
21	Cut off water supply	Sec. 95(3)	2	✓								✓	
22	Fire hydrants for reticulation works	Sec. 96(1)	4					✓				✓	
23	Requests from FESA or local government	Sec. 96(5)	4					✓				✓	
24	Connect wastewater inlet	Sec. 98(3)	4					✓				✓	
25	Compliance notice re sewerage	Sec. 106(2)	4					✓				✓	
28	Compliance notice issued by licensee re building works	Sec. 119(2)	4					✓				✓	
29	Review of decisions	Sec. 122(2)	4					✓				✓	

¹ The number refers to the Obligation reference in the Water Compliance Reporting Manual 2020 and previous versions 2017 and 2018 where applicable.

² Refer Controls and Compliance Rating Scales in Section 3.3.

No. ¹	Brief Description	Legislative Reference	Audit Priority applied (rated 1 = High to 5 = Low)	Adequacy of Controls Rating ² (A=Adequate, B=Generally adequate, C=Inadequate, D=No controls, NP=Not performed)					Compliance Rating (1=Compliant, 2=Non-compliant - minor impact, 3=Non-compliant – moderate impact, 4=Non-compliant - major impact, NR=Not rated)					
				A	B	C	D	NP	1	2	3	4	NR	
30	Apportionment of fees between properties	Sec. 125(2)	4					✓						✓
31	Lodging memorial to secure fees owing	Sec. 128(4)	4					✓						✓
32	Notice to property owner - entry	Sec. 129(5)	4	✓					✓					
33	Notice to property owner – removal of fence	Sec. 139(3)	4					✓						✓
34	Notice to roads authority	Sec. 141(1)	4					✓						✓
35 36 37 38 39	Proposal for major works	Sec. 142, 143(2) &(3), 144(3), 145(2)	4					✓						✓
40 41	Proposal for general works – Minister notices	Sec. 147(3) & (4)	4					✓						✓
42 43 44 45	Proposal for general works	Sec.151(1) – (3), 53(3)	4	✓										✓
45A	Deviations from planned work	Sec. 160(1)	2	✓										✓
46 47 48	Interest in land	Sec. 166(5) - (6), 170	4					✓						✓
49 50	Notice of entry to property and authority to enter	Sec. 173(4) & 174 (1)	4	✓										✓
51	Notice of entry after entry without notice	Sec. 174 (3)	4	✓										✓
52 53 54 55 56 57	Notice of entry to property and authority to enter	Sec. 175(2) & (5), 176(1), (3) & (4) 181	4	✓										✓
58 59 60 61	Warrant to enter property	Sec. 186, 187(1) - (3), 190(4) - (5)	4					✓						✓
62	Compliance Officer	Sec. 210(5)	4					✓						✓
63	Minimum disruption	Sec. 218(2)	4					✓						✓
64	Physical damage	Sec. 218(3)	4					✓						✓
Water Services Regulations 2013														
69	Lot development	Reg. 29(1)	4					✓						✓

No. ¹	Brief Description	Legislative Reference	Audit Priority applied (rated 1 = High to 5 = Low)	Adequacy of Controls Rating ² (A=Adequate, B=Generally adequate, C=Inadequate, D=No controls, NP=Not performed)					Compliance Rating (1=Compliant, 2=Non-compliant - minor impact, 3=Non-compliant – moderate impact, 4=Non-compliant - major impact, NR=Not rated)					
				A	B	C	D	NP	1	2	3	4	NR	
70 71 72	Backflow prevention devices	Reg. 42(2), 43(3), 43(6).	4					✓						✓
74	Work affecting roads	Reg. 60(2)	4					✓						✓
75	Breaks to road surface	Reg. 63	4					✓						✓
89	Compliance notice information	Reg. 85	4					✓						✓
Water Services Code of Conduct (Customer Service Standards) 2024														
92	Information for customers	Cl. 8(1)-(3)	4					✓						✓
93	Service connections period	Cl. 9(2) & (4)	4					✓						✓
144A 144B	Notice of planned service interruptions	Cl. 46(1)-(2)	4	✓					✓					
144C 144D	Policy for dealing with leaks and blockages	Cl. 47(1) - (2)	4	✓					✓					
144E	24 hour information line	Cl. 48	4	✓					✓					
145 146	Complaints procedure - written	Cl. 49(1) - (2)	4	✓					✓					
147	Complaints procedure - details	Cl. 49(3)	4	✓					✓					
148A	Complaints procedure - Ombudsman	Cl. 49(4)	3	✓						✓				
149	Complaints procedure publicly available	Cl. 49(5)	3	✓						✓				
149A	Resolution of complaints	Cl. 50	4	✓										✓
150	No charge for information	Cl. 51(1)	4	✓										✓
152	Access to customer information	Cl. 51(2) & (3)	4					✓						✓
153	Code of Conduct publicly available in hardcopy and on website	Cl. 52(1)	3	✓						✓				
154	Bill information on website	Cl. 52 (2)	4					✓						✓
154AA	Bill information on website	Cl. 52(3)	4					✓		✓				
154A	Link to WA website re Preserved Supply Register application	Cl. 52(4)	3					✓		✓				
154B	Preserved supply register	Cl. 54(2)	1	✓						✓				
154CC 154C 154D	Preserved supply register	Cl. 54(3),55 & 56	1	✓										✓

No. ¹	Brief Description	Legislative Reference	Audit Priority applied (rated 1 = High to 5 = Low)	Adequacy of Controls Rating ² (A=Adequate, B=Generally adequate, C=Inadequate, D=No controls, NP=Not performed)					Compliance Rating (1=Compliant, 2=Non-compliant - minor impact, 3=Non-compliant – moderate impact, 4=Non-compliant - major impact, NR=Not rated)				
				A	B	C	D	NP	1	2	3	4	NR
Licence Conditions – Specific Clauses													
155	Fees to regulator	Cl. 4.2.1	3	✓							✓		
159	Direction from ERA	Cl. 4.1.2	4					✓				✓	
160	Compliance with Accounting Standards	Cl. 4.6.1	4	✓					✓				
161	Compliance with performance standards	Cl. 5.2.1	4	✓					✓				
162	Operational audit	Cl. 5.3.4	4	✓					✓				
163	External administration	Cl. 4.7.1(a)-(c)	4					✓				✓	
165	Provision of information to ERA	Cl. 4.8.1	4	✓					✓				
167	Performance reporting to ERA	Cl. 4.8.2	3	✓					✓				
168	Publishing information	Cl. 3.8.1 & 3.8.2	4					✓				✓	
169	Notices in writing	Cl. 3.7.1	4					✓	✓				
170A	Notify ERA of asset management system (AMS)	Cl. 5.1.1 (a) & (b)	4					✓	✓				
171	Notify ERA of material change to AMS	Cl. 5.1.3	4	✓								✓	
172	AMS review	Cl. 5.1.7	4	✓					✓				
172A 172B	ERA direction re condition of service	Cl. 6.1.1-6.1.2	4					✓				✓	
181	Obligations of supplier of last resort	Cl. 6.3.1	4					✓				✓	
182	No services outside operating area	Cl. 4.4.1(b)	4	✓								✓	
184	MOU with Department of Health (water)	Cl. 7.1.1	3	✓						✓			
184A	MOU with Department of Health (sewerage)	Cl. 7.1.2 7.1.3	4					✓				✓	
184B	MOU with Department of Health (water separate to sewerage)	Cl. 7.1.3	4					✓				✓	
185	MOU legal compliance	Cl. 7.1.4	4	✓					✓				
186	MOU compliance	Cl. 7.1.5	4	✓					✓				
187	MOU published	Cl. 7.1.6	4					✓	✓				
188	MOU - audit reports published	Cl. 7.1.7	4					✓				✓	
189	MOU – other reports published	Cl. 7.1.8	4	✓								✓	
190A	Continuity of pressure and flow	Schedule 2 Cl.1.1	4	✓					✓				

No. ¹	Brief Description	Legislative Reference	Audit Priority applied (rated 1 = High to 5 = Low)	Adequacy of Controls Rating ² (A=Adequate, B=Generally adequate, C=Inadequate, D=No controls, NP=Not performed)					Compliance Rating (1=Compliant, 2=Non-compliant - minor impact, 3=Non-compliant – moderate impact, 4=Non-compliant - major impact, NR=Not rated)					
				A	B	C	D	NP	1	2	3	4	NR	
190B	Notification of pressure and flow outside range	Schedule 2 Cl.1.2	4					✓						✓
190C	Notify ERA of any water restrictions	Schedule 2 Cl.1.3	4					✓						✓
Water Services Code of Practice (Family Violence) 2020														
191	Family violence policy	Cl. 5(1)	3	✓							✓			
192	Family violence policy before the end of the six-month period	Cl. 5(2)	3	✓							✓			
193	Publish family violence policy on website	Cl. 6	3	✓							✓			
194	Review of family violence policy once every 5-year period	Cl. 7	4					✓						✓
195	Records of compliance with this code	Cl. 8(1)	4					✓						✓
196	Retain records for at least 7 years	Cl. 8(2)	4					✓						✓
197	Inform customers of complaints procedure	Cl. 9	4					✓						✓
198	Website link to current copy of this Code	Cl. 10	3	✓							✓			

3.6 Status of Previous Audit Recommendations

The previous audit covered the period 16 September 2020 to 30 September 2022 and was reported in May 2023.

Of the 7 recommendations in the previous audit report, all have been completed. The status of the previous recommendations is shown below.

Ref. (Manual Ref./Year)	Compliance Obligation	Previous Compliance Rating	Previous Finding and Recommended Corrective Action	Action Taken	Date Resolved	Further Action Required
A. Resolved before end of previous audit period						
N/A						
B. Resolved during current audit period						
1/2022(a)	148A	C2	<p>Customer Charter and Complaints Procedure</p> <p>The complaints procedure in the Customer Charter – Leinster Drinking Water and Wastewater Services does not include any reference to requesting a review of any decision or the option to refer the complaint to the Energy and Water Ombudsman.</p> <p><i>The complaints procedure in the Customer Charter - Leinster Drinking Water and Wastewater Services should be updated to include reference to applying to the Energy and Water Ombudsman (EWO) or making an appeal from, or applying for a review of, the decision that gave rise to the complaint. This should include providing a Freecall telephone number for the EWO.</i></p>	<p><u>Status: Completed</u></p> <p>The Customer Charter - Leinster Drinking Water and Wastewater Services has been updated and is available on the BHP public website.</p> <p>Confirmed in this audit.</p>	September 2023	Nil

Ref. (Manual Ref./Year)	Compliance Obligation	Previous Compliance Rating	Previous Finding and Recommended Corrective Action	Action Taken	Date Resolved	Further Action Required
1/2022(b)	149	C2	<p>The auditor confirmed with Manager – HSE that a hardcopy of the Customer Charter is available upon request and at no charge. However, the Customer Charter and the Managing Customer Feedback at Leinster Procedure could not be located on the BHP Nickel West website.</p> <p><i>The Customer Charter - - Leinster Drinking Water and Wastewater Services and the Managing Customer Feedback at Leinster Procedure should be available on the BHP Nickel West Leinster website.</i></p>	<p><u>Status: Completed</u></p> <p>The Customer Charter - Leinster Drinking Water and Wastewater Services is available on the BHP public website.</p> <p>Confirmed in this audit.</p>	September 2023	Nil
1/2022(c)	149A 153	C/NR	<p>The Manager – HSE advised that no complaints were received in the audit period. However, the complaints procedure in the Customer Charter – Leinster Drinking Water and Wastewater Services does not include any reference to requesting a review of any decision or the option to refer the complaint to the Energy and Water Ombudsman.</p> <p>The auditor confirmed with the Superintendent, HSSEM that the information is available in the above formats upon request and that during the audit period, no such requests have been received.</p> <p>The information is not available in the Customer Charter and this is not on the website.</p> <p>As there is no connection or billing of water services, billing information is not required. Other “prescribed information” is available in the Customer Charter except for the information noted in obligations 148A, 149A and 150. The Charter is also not publicly available as noted in obligation 149 above.</p> <p><i>As required by the Code of Conduct (Customer Service Standards) 2018, the Customer Charter - Leinster Drinking Water and Wastewater Services should be updated to include the following:</i></p> <p><i>a. services for general enquiries for use by customers with hearing or speech impaired.</i></p>	<p><u>Status: Completed</u></p> <p>The Customer Charter - Leinster Drinking Water and Wastewater Services has been updated and is available on the BHP public website.</p> <p>Confirmed in this audit.</p>	September 2023	Nil

Ref. (Manual Ref./Year)	Compliance Obligation	Previous Compliance Rating	Previous Finding and Recommended Corrective Action	Action Taken	Date Resolved	Further Action Required
			<p>b. <i>interpreter services for general enquiries.</i></p> <p>c. <i>a large-print version of any of the licensee's publicly available documents.</i></p>			
2/2022	154A	C2	<p>Website Link to Code of Conduct (Customer Service Standards)</p> <p>There is no link on the BHP Nickel West Leinster website to the current version of the <i>Water Services Code of Conduct (Customer Service Standards) 2018</i> on the WA legislation site.</p> <p><i>The BHP Nickel West Leinster website should include a link to the Water Services Code of Conduct (Customer Service Standards) 2018 on the WA government legislation site.</i></p>	<p><u>Status: Completed</u></p> <p>BHP included via link a reference to the Water Services Code of Conduct (Customer Service Standards) 2018 on the BHP public website.</p> <p>Confirmed in this audit.</p>	September 2023	Nil
3/2022	154B 154C 154D	C2 C/NR C/NR	<p>Preserved Supply Register</p> <p>The Superintendent, HSSEM and onsite interviews confirmed there were no reduced flow of any water supply to residences during the audit period. However, the auditor was unable to sight a Preserved Supply Register.</p> <p><i>As required by the Code of Conduct (Customer Service Standards) 2018, a Preserved Supply Register should be maintained by BHP and this should be referenced in the Leinster Drinking Water Supply Operations and Maintenance Manual and the Leinster Drinking Water Incident Response Plan.</i></p>	<p><u>Status: Completed</u></p> <p>Customer engagement was completed in February 2024 to inform initial population of the Preserved Supply Register. There were zero nominations received through the customer engagement.</p> <p>Confirmed in this audit.</p>	February 2024	Nil

Ref. (Manual Ref./Year)	Compliance Obligation	Previous Compliance Rating	Previous Finding and Recommended Corrective Action	Action Taken	Date Resolved	Further Action Required
4/2022	155	C2	<p>Payment of ERA Licence Fees</p> <p>The fee for 2021/22 due by 30 September 2022 was not paid until December 2022. As the payment was overdue, this is considered a non-compliance with minor impact and did not affect customers.</p> <p><i>The payment of any licencing fees due to the ERA should be included in a compliance calendar to ensure payments are made by the due date.</i></p>	<p><u>Status: Incomplete</u></p> <p>The NiW compliance register has been updated with appropriate prompts to satisfy this recommendation.</p> <p>However, the payment for 2023/24 due by 30 September 2024 was not paid until November 2024.</p>	-	<i>Refer Recommendation 1/2024.</i>
5/2022	184	C2	<p>Memoranda of Understanding with Department of Health</p> <p>The Lead Project Engineer – NOR advised that the Memorandum of Understanding (MOU) between the Department of Health and BHP for Drinking Water is being developed and is approximately 80% complete. The draft has been provided to the DoH.</p> <p>The MOU outlines the management of drinking water quality, audit of water supply systems, publication and exchange of information and data and managing events of public health significance.</p> <p>The Leinster Drinking Water Incident Response Plan includes Department of Health liaison and reporting.</p> <p>Quarterly Potable Water Reports have been provided to the DoH each quarter from June 2021 to June 2022 and have been published on the BHP website. As it has been 2 years since the licence was approved, the MoU should be finalised.</p> <p><i>The draft Memorandum of Understanding between the Department of Health and BHP for drinking water should be finalised as soon as possible.</i></p>	<p><u>Status: Completed</u></p> <p>Memorandum of Understanding (MoU) executed between BHP and DoH on 17 June 2024.</p> <p>The audit sighted the MoU.</p>	June 2024	Nil

Ref. (Manual Ref./Year)	Compliance Obligation	Previous Compliance Rating	Previous Finding and Recommended Corrective Action	Action Taken	Date Resolved	Further Action Required
6/2022	191, 192, 193	C2	<p>Family Violence Policy</p> <p>The auditor was advised that BHP has not yet developed a Family Violence Policy that sets out the matters specified in Clause 5(1). The matters specified in the Code relate to account, payment difficulties, financial hardship and debt management. As BHP does not bill customers for water services, these matters would not arise. There are no restrictions or disconnections of water supplies as all properties are leased by BHP to customers. However, subject to further clarification with the ERA, this is considered a non-compliance with minor impact.</p> <p><i>BHP should develop a Family Violence Policy, publish it on the website and provide a hardcopy to customers upon request and at no charge.</i></p>	<p><u>Status: Completed</u></p> <p>A Family Violence Statement specifically relevant to Leinster Water Licence WL52 has been implemented in February 2024. This Statement is available via link on the BHP website.</p> <p>The audit sighted the Family Violence Policy for Leinster Water supply.</p>	February 2024	Nil
7/2022	198	C2	<p>Website Link to Water Services Code of Practice (Family Violence)</p> <p>The BHP website does not have a link to the current version on the <i>Water Services Code of Practice (Family Violence Policy) 2020</i>.</p> <p><i>BHP should publish a link on the BHP website to the current version of the Water Services Code of Practice (Family Violence) 2020 on the WA government legislation website.</i></p>	<p><u>Status: Completed</u></p> <p>BHP included via link a reference to the Water Services Code of Practice (Family Violence Policy) 2020 on the BHP public website.</p>	August 2023	Nil

3.7 Detailed Audit Observations

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
Water Services Act 2012							
2	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.	4	The Superintendent Health, Safety, Security & Emergency Management, Nickel West, Northern Operations (“Superintendent, HSSEM) confirmed that connections are made if any new residences or commercial properties are leased. There have been no new connections in the audit period. There are 314 connected properties for drinking water and 297 properties for sewerage services.	NP	NR
3	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 purpose of section 11(3).	4	The operation and maintenance of the drinking water service and sewerage works were confirmed by a site tour, interviews and review of documentation in this audit. This obligation is documented in the Asset Management Plan – Leinster Drinking Water Supply System (‘Drinking Water AMP) and Asset Management Plan – Leinster Sewerage System (‘Sewerage AMP’).	A	1
4	Section 22	Clause 4.4.1(a)	The licensee must notify the ERA as soon as practicable before commencing to provide the water service outside of the operating area of the licence.	4	The auditor confirmed with the Superintendent, HSSEM and by site observation that the licensee does not provide any services outside of the operating areas set out in Plan Number OWR-OA-318.	NP	NR

³ The number refers to the item reference in the Water Compliance Reporting Manual (July 2024) or if applicable, 2021 manual.

⁴ The highest priority areas (priority 1, 2 or 3) based on inherent risk and expected controls/processes are highlighted in **RED**.

⁵ Controls Rating Scale: A=Adequate, B=Generally adequate, C=Inadequate, D=No controls, NP=Not performed.

⁶ Compliance Rating Scale: 1=Compliant, 2=Non-compliant -minor impact, 3=Non-compliant – moderate impact, 4=Non-compliant - major impact, NR=Not rated.

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
5	Section 23	Clause 4.5.1	All water service works used by the licensee in the provision of a water service must be held by the licensee or must be covered by a works holding arrangement.	4	The auditor confirmed with the Superintendent, HSSEM, onsite interviews and review of the Asset Management Plans that the water service assets are owned or operated by BHP Nickel West ('BHP'). This obligation is documented in the Drinking Water AMP and Sewerage AMP.	A	1
6	Sections 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.	4	This audit confirmed the licensee has an asset management system (AMS). This obligation is documented in the Drinking Water AMP and Sewerage AMP.	A	1
8	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 period as determined by the ERA.	4	Review of the asset management system was completed to September 2022 as required by the ERA. The ERA has confirmed the next review is for the 3 years to September 2025. This obligation is documented in the Drinking Water AMP and Sewerage AMP.	A	1
8A	Section 24(2)	Clause 5.1.1	The licensee's asset management system must include the measures to be taken by the licensee for the proper maintenance of the water service works and the provision and operation of the water service works, and other water service works necessary for the provision of the water service. <i>Effective from July 2024.</i>	2	This audit confirmed the licensee has an asset management system (AMS) that includes maintenance of and provision of the water supply services. This obligation is documented in the Drinking Water AMP and Sewerage AMP.	A	1
9	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.	4	This is the second audit since the licence was issued by the ERA in September 2020. Audits are being completed every 24 months. This obligation is documented in the Drinking Water AMP and Sewerage AMP.	A	1

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
10	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.	4	<p>The auditor confirmed during this audit that with the exception of 9 non-compliances with minor impact on customers relating to Codes and noted in the previous audit and rectified in this audit period (see Section 1 of this report) BHP has complied with the <i>Water Services Code of Conduct (Customer Service Standards) 2024</i> (obligations 92 - 154D) and the <i>Water Services Code of Practice (Family Violence) 2020</i> (obligations 191 - 198) issued by the Minister.</p> <p>There was one new non-compliance with minor impact on customers noted in this audit period for obligation 154AA (effective from July 2024) – Preserved Supply Register information on website. Refer obligation 154AA and recommendation 1/2024.</p> <p>This obligation is documented in the Drinking Water AMP and Sewerage AMP.</p>	A	2
13	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.	4	The auditor confirmed with Superintendent, HSSEM and field observation that the licensee did not cease to provide a water service in the area.	NP	NR
14	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 specified.	4	<p>The auditor confirmed with Superintendent, HSSEM that BHP is not a supplier of last resort. There is also no appointment in the licence.</p> <p>However, BHP is the only supplier of drinking water for Leinster and has the Leinster Drinking Water Incident Response Plan to cover any interruptions to drinking water supplies.</p>	NP	NR

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
15	Section 70(2)	Clause 6.2.1	<p>The licensee must not supply water services to customers unless the licensee:</p> <ul style="list-style-type: none"> • 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. 	4	The auditor confirmed with Superintendent, HSSEM that during the audit period, BHP was a member of the Energy and Water Ombudsman Scheme and was bound by the scheme and complied with any directions. The membership was also confirmed by the Energy and Water Ombudsman website.	NP	1
16	Section 77(3)	Clause 4.1.1	The licensee must take reasonable steps to minimise the extent or duration of any interruption of water services it is responsible for.	4	<p>BHP has ensured that the supply of water services has been maintained and the occurrence and duration of interruptions has been kept to a minimum.</p> <p>As reported in the Performance Reports for 2022/23 and 2023/24 to the ERA, there were 5 unplanned interruptions for an average duration of 120 minutes each year.</p> <p>BHP has taken reasonable steps to minimise disruptions. There have been no customer complaints over the audit period.</p> <p>The control is the Leinster Drinking Water Incident Response Plan.</p>	A	1
17	Sections 82(4) & (5)	Clause 4.1.1	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 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	4	The auditor confirmed with Superintendent, HSSEM that no notices were given in the audit period for any additional water service works.	NP	NR

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
			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.				
18	Section 84(2)	Clause 4.1.1	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.	4	As per obligation 17 above.	NP	NR
19	Section 87(2)	Clause 4.1.1	If a person makes 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 licensee's notice, the licensee cannot provide the works until the application has been finally dealt with, except in limited circumstances.	4	As per obligation 17 above.	NP	NR
20	Section 90(7)	Clause 4.1.1	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 the owner of the land.	4	As per obligation 17 above.	NP	NR

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
21	Section 95(3)	Clause 4.1.1	The licensee cannot cut off the supply of water to an occupied dwelling unless the occupier agrees to that.	2	The auditor confirmed with Superintendent, HSSEM that, during the audit period, the licensee did not cut off the supply of water to any occupied dwelling. The policy is to not cut off the water supply. This obligation is documented in the Customer Charter – Leinster Drinking Water and Wastewater Services.	A	NR
22	Section 96(1)	Clause 4.1.1	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 requirements of FESA, or the relevant local government as to the location and type of hydrant.	4	The auditor confirmed with Superintendent, HSSEM that there have been no requests from the Department of Fire and Emergency Services (DFES) to instal fire hydrants. DFES were involved in a desktop scenario exercise in April 2024.	NP	NR
23	Section 96(5)	Clause 4.1.1	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.	4	Superintendent, HSSEM advised that no formal requests have been received from DFES or the local government authority.	NP	NR
24	Section 98(3)	Clause 4.1.1	If required to by the Minister, the licensee must connect a wastewater inlet on land to the sewerage works of the licensee.	4	The Superintendent, HSSEM confirmed there have been no requests by the Minister to connect a wastewater inlet to sewerage works.	NP	NR
25	Section 106(2)	Clause 4.1.1	The licensee must include the information specified in a compliance notice given in relation to failure to maintain fittings, fixtures and pipes. (sewerage)	4	The Superintendent, HSSEM confirmed there have been no compliance notices issued in the audit period.	NP	NR

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
28	Section 119(2)	Clause 4.1.1	The licensee must include the information specified in a compliance notice given in relation to the matters set out in section 119(1).	4	The auditor confirmed with Superintendent, HSSEM and the onsite visit that all construction is managed by BHP or contracted, so no compliance notices would be issued.	NP	NR
29	Section 122(2)	Clause 4.1.1	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.	4	As per obligation 28.	NP	NR
30	Section 125(2)	Clause 4.1.1	If the licensee provides a water supply, sewerage or drainage service to 2 or more dwellings on land by a single property 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 <i>Strata Titles Act 1985</i> .	4	The auditor confirmed with Superintendent, HSSEM that no fees are charged or apportioned between any single connections. There is no charge for any water services.	NP	NR
31	Section 128(4)	Clause 4.1.1	If the licensee has previously lodged a memorial with the Registrar, the licensee must lodge a withdrawal of memorial with Registrar along with the specified fee (if any) if the charge or contribution has been paid.	4	The auditor confirmed with Superintendent, HSSEM that no memorials have been lodged in the audit period.	NP	NR
32	Section 129(5)	Clause 4.1.1	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.	4	The auditor confirmed with Superintendent, HSSEM and the site visit that if entry was required, at least 3 days' notice is given by telephone. For any planned interruptions to water services during the audit period, the required notice was given to residents. None required entry to the dwellings.	A	1

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
					This obligation is documented in the NiW Drinking Water and Wastewater Services Customer Charter (September 2023).		
33	Section 139(3)	Clause 4.1.1	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.	4	The auditor confirmed with the site visit that no construction work required entry to premises.	NP	NR
34	Section 141(1)	Clause 4.1.1	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.	4	The auditor confirmed with Superintendent, HSSEM and the onsite interviews that any road works would include giving at least 48 hours' notice to the local government authority (Shire of Leonora). There were no notices give in the audit period	NP	NR
35	Sections 142	Clause 4.1.1	The licensee must comply with sections 143 and 144 of the Act in relation to the proposed major works and has given any notice required by section 148.	4	The auditor confirmed with Superintendent, HSSEM, onsite interviews and review of the Asset Management System documentation that no major works have occurred during the audit period. The auditor confirmed that any major water works would include obtaining regulatory approvals and giving notice to the community and stakeholders. The BHP – Capital Projects sets out the requirements for any capital projects of US\$2 million or greater including approvals to be obtained.	NP	NR
36	Sections 143 (2)	Clause 4.1.1	Before the licensee submits a proposal for the provision of major works to the	4	As per obligation 35	NP	NR

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
			Minister, the licensee must prepare, publish and make available plans and details of those major works as specified.				
37	Sections 143 (3)	Clause 4.1.1	The licensee must, within 5 days of publishing the plans and details on the licensee's website, give notice setting out the matters specified in section 143(4) to the persons and agencies specified.	4	As per obligation 35	NP	NR
38	Section 144(3)	Clause 4.1.1	The licensee must have regard to an objection or submission lodged within the relevant period.	4	As per obligation 35	NP	NR
39	Section 145(2)	Clause 4.1.1	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.	4	As per obligation 35	NP	NR
40	Section 147(3)	Clause 4.1.1	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).	4	As per obligation 35	NP	NR
41	Section 147(4)	Clause 4.1.1	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.	4	As per obligation 35	NP	NR

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
42	Section 151(1)	Clause 4.1.1	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.	4	The auditor confirmed by review of the Asset Management System documentation that no general works have occurred during the audit period. Any building works are assessed by the Shire of Leonora. Applications for water services from commercial customers are reviewed by BHP engineers. The Leinster Drinking Water Supply Operations and Maintenance Manual details the approach to operating and maintaining the Leinster drinking water supply system.	A	NR
43	Section 151(2)	Clause 4.1.1	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.	4	As per obligation 42.	A	NR
44	Section 152(3)	Clause 4.1.1	The licensee must have regard to an objection or submission lodged by the date specified in the notice given under section 151(2).	4	As per obligation 42.	A	NR
45	Section 153(3)	Clause 4.1.1	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.	4	As per obligation 42.	A	NR
45A	Section 160(1)	Clause 4.1.1	A licensee, when providing water service works, may: <ul style="list-style-type: none"> deviate from any plan or description of, or proposal for, those works and 	2	As per obligation 42.	A	NR

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
			<ul style="list-style-type: none"> make any modification to the plan, description or proposal that is required by the circumstance. <p>if the deviation or modification is agreed to in writing by the owner and occupier of the affected land. <i>Effective from July 2024.</i></p>				
46	Section 166(5)	Clause 4.1.1	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.	4	The Superintendent, HSSEM confirmed that no advice re acquiring an interest in land, has been received from the Minister.	NP	NR
47	Section 166(6)	Clause 4.1.1	Any costs incurred in taking an interest in land are to be paid by the licensee.	4	As per obligation 46.	NP	NR
48	Section 170	Clause 4.1.1	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 <i>Planning and Development Act 2005</i> , unless the Minister permits the licensee to do so.	4	As per obligation 46.	NP	NR
49	Section 173(4)	Clause 4.1.1	In relation to entry to a place for the purposes of doing works, in the circumstances specified, 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.	4	The auditor confirmed with Superintendent, HSSEM and onsite interviews that there was no entry to premises in the audit period. If entry was required, at least 3 days' notice would be given (usually 5 to 7 days). This obligation is stated in the NiW Drinking Water and Wastewater Services Customer Charter (September 2023) ('Customer Charter').	A	NR
50	Section 174(1)	Clause 4.1.1	Notice of a proposed entry by the licensee must be in writing and must set out the purpose of the entry, including	4	The auditor confirmed with the Superintendent, HSSEM, onsite interviews and review of the procedures that 3 days' notice was given in writing	A	NR

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
			(if applicable) any work proposed to be carried out.		and set out the purpose of entry, for any entry to outside of dwellings. There was no entry to premises in the audit period. This obligation is stated in the Customer Charter.		
51	Section 174(3)	Clause 4.1.1	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.	4	The auditor confirmed with the Superintendent, HSSEM and onsite interviews that there were no unplanned entries to premises. This obligation is stated in the Customer Charter.	A	NR
52	Section 175(2)	Clause 4.1.1	If an occupier is present when the licensee proposes to enter a dwelling, the licensee must perform the specified actions before entering the premises.	4	The auditor confirmed with the Manager – HSE and onsite interviews that no entry was required to any dwelling. This obligation is stated in the Customer Charter.	A	NR
53	Section 175(5)	Clause 4.1.1	If the licensee enters a dwelling that is unoccupied, the licensee must leave a notice, which includes the specified information, or a copy of the warrant (as applicable) in a prominent position in the dwelling before leaving the dwelling.	4	As per obligation 52.	A	NR
54	Section 176(1)	Clause 4.1.1	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 or occupier has refused or withdrawn their consent.	4	As per obligation 52.	A	NR
55	Section 176(3)	Clause 4.1.1	The licensee must produce their certificate of authority if asked to do so, and must not perform, or continue to	4	As per obligation 52.	A	NR

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
			perform, a function under the Act if they are not able to do so.				
56	Section 176(4)	Clause 4.1.1	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.	4	As per obligation 52.	A	NR
57	Section 181	Clause 4.1.1	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.	4	As per obligation 52.	A	NR
58	Section 186	Clause 4.1.1	If the licensee applies for a warrant, the application must contain the specified information.	4	The auditor confirmed with Superintendent, HSSEM that no compliance notices or warrants had been applied for or issued during the audit period.	NP	NR
59	Sections 187(1) – (3)	Clause 4.1.1	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.	4	As per obligation 58.	NP	NR
60	Section 190(4)	Clause 4.1.1	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.	4	As per obligation 58.	NP	NR

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
61	Section 190(5)	Clause 4.1.1	On completing the execution of a warrant the licensee must record the specified information on that warrant.	4	As per obligation 58.	NP	NR
62	Section 210(5)	Clause 4.1.1	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 specified information.	4	The auditor confirmed with Superintendent, HSSEM that no persons have been designated as inspectors or compliance officers.	NP	NR
63	Section 218(2)	Clause 4.1.1	In the exercise or purported exercise of a power under the Act, 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.	4	The auditor confirmed with Superintendent, HSSEM and onsite interviews that no entry was required to any dwelling.	NP	NR
64	Section 218(3)	Clause 4.1.1	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.	4	The auditor confirmed with Superintendent, HSSEM and onsite interviews that no entry was required to any dwelling.	NP	NR
Water Services Regulations 2013							
69	Regulation 29(1)	Clause 4.1.1	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, defer the payment of the contribution unless regulations 29(3) or 29(4) applies.	4	The audit confirmed with the Superintendent, HSSEM that there would be no requests from developers to pay an infrastructure contribution and therefore, no requests to defer payment.	NP	NR
70	Regulation 42(2)	Clause 4.1.1	The written order requiring the owner or occupier of land to install a backflow	4	As there are no meters for the water service to dwellings, this obligation is not rated.	NP	NR

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
			prevention device must set out the date which the device must be installed and tested (which must be at least 7 days after the order is given).				
71	Regulation 43(3)	Clause 4.1.1	The compliance notice 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).	4	As per obligation 70.	NP	NR
72	Regulation 43(6)	Clause 4.1.1	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 least 7 days after the notice is given)	4	As per obligation 70.	NP	NR
74	Regulation 60(2)	Clause 4.1.1	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.	4	The auditor confirmed with the Superintendent, HSSEM that any road works would include giving at least 48 hours' notice to the local government authority and the residents. The auditor confirmed with that no works had been carried out in the audit period.	NP	NR

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
75	Regulation 63	Clause 4.1.1	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 measures to prevent that part of the road from being hazardous.	4	As per obligation 74.	NP	NR
89	Regulation 85	Clause 4.1.1	Compliance notices issued by the licensee must include a brief 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.	4	The auditor confirmed with Superintendent, HSSEM that no compliance notices were issued in the audit period for any water service works.	NP	NR
Water Services Code of Conduct (Customer Service Standards) 2024							
92	Clause 8(1)-(3)	Clause 4.1.1	<p>The licensee must have written information for customers about the specified matters regarding connections and the information must be publicly available.</p> <p><i>(Note: the information required by subclause 8(2)(a) applies to the Water Corporation, Bunbury Water Corporation and Busselton Water Corporation only and the information required by subclause 8(2)(g) applies only to licensees that supply potable water).</i></p>	4	As the residential properties are leased to customers by BHP, water services are already connected. Therefore, this obligation is not rated.	NP	NR

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
93	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.	4	There were no new connections during the audit period as confirmed by Superintendent, HSSEM and the Water Licence Performance Reports to the ERA for the audit period.	NP	NR
144A	Clause 46(1)	Clause 4.1.1	The licensee must give notice of a planned service interruption to each customer that will be affected by the service interruption. Obligations 144A to 154A apply to potable water and sewerage services.	4	The auditor confirmed with the Superintendent, HSSEM and the onsite interviews that at least 3 days' notice is given for any planned interruptions to water services. This obligation is stated in the Customer Charter.	A	1
144B	Clause 46(2)	Clause 4.1.1	The notice of a planned service interruption must be given within the specified timeframes.	4	As per obligation 144A.	A	1
144C	Clause 47(1)	Clause 4.1.1	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.	4	The auditor sighted the Leinster Drinking Water Response Plan that includes detailed procedures for drinking water incidents. There is also the Leinster Township Emergency Management document covering any general incidents affecting town services.	A	1
144D	Clause 47(2)	Clause 4.1.1	The policies, practices and procedures under subclause 47(1) must deal with the specified matters.	4	The procedures noted in obligation 144C deal with the prescribed matters.	A	1
144E	Clause 48	Clause 4.1.1	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	4	The auditor confirmed that a 24 hour information line is available with the contact details in the Customer Charter.	A	1

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
			emergencies and faults, and get information about the reason for, and the expected duration of, any unplanned service interruption.				
145	Clause 49(1)	Clause 4.1.1	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.	4	The auditor sighted the complaints procedure in the Customer Charter - Leinster Drinking Water and Wastewater Services. The BHP's Managing Customer Feedback at Leinster Procedure states the complaints handling processes that meet the minimum requirements of the <i>Water Services Code of Conduct (Customer Service Standards) 2018</i> and enable the reporting of the number, and type, of customer complaints received during a reporting year.	A	1
146	Clause 49(2)	Clause 4.1.1	The licensee's complaints procedure must be developed using as minimum standards the relevant provisions of AS 10002-2022 and the ERA's guidelines (if any).	4	The complaints procedure is compliant with the relevant provisions of AS ISO 10002-2022 and the ERA's Customer Complaints Guidelines dated December 2016.	A	1
147	Clause 49(3)	Clause 4.1.1	The licensee's complaints procedure must provide for the matters specified in relation to lodgment of complaints, acknowledging complaints, responding to complaints and dispute resolution arrangements.	4	The audit reviewed the Customer Charter - Leinster Drinking Water and Wastewater Services and confirmed the complaints procedure includes how complaints are to be lodged and responded to.	A	1
148A	Clause 49(4)	Clause 4.1.1	The licensee's complaints procedure must list the procedures available to the customer under the 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	3	As noted in the 2022 audit, the complaints procedure in the Customer Charter - Leinster Drinking Water and Wastewater Services did not include any reference to requesting a review of any decision or the option to refer the complaint to the Energy and Water Ombudsman. This was resolved in	A	2

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
			the complaint, if an appeal or review is available under regulations mentioned in section 222(2)(k).		September 2023. The Customer Charter - Leinster Drinking Water and Wastewater Services includes the procedure for applying to the water services ombudsman. As this has been resolved, in the audit period, no further recommendation is made.		
149	Clause 49(5)	Clause 4.1.1	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.	3	The auditor confirmed with Superintendent, HSSEM that a hardcopy of the Customer Charter is available upon request and at no charge. As noted in the 2022 audit, the Customer Charter was not available on the website. The Charter has been available on the website since September 2023. As this has been resolved in the audit period, no further recommendation is made.	A	2
149A	Clause 50	Clause 4.1.1	A licensee must inform the customer of the outcome of a complaint and, unless the customer has advised the licensee that the complaint has been resolved in a manner acceptable to the customer, provide information as specified in subclause 50(b).	4	The Manager – HSE advised that no complaints were received in the audit period. The complaints procedure in the Customer Charter - Leinster Drinking Water and Wastewater Services includes advising the customer of the outcome and since September 2023, that a customer may request a review of any decision or the option to refer the complaint to the Energy and Water Ombudsman.	A	NR
150	Clause 51(1)	Clause 4.1.1	The licensee must provide a customer with the specified services or documents on request and at no charge.	4	The auditor confirmed with the Superintendent, HSSEM that the information is available in the above formats upon request and that during the audit period, no such requests have been received. The information is available in the Customer Charter since September 2023.	A	NR

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
152	Clause 51(2) and (3)	Clause 4.1.1	The licensee must make available to each customer, on request and at no charge, 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 within 5 business days after the request is made.	4	As there is no metering or billing of water services to customers in the audit period, this obligation is not rated.	NP	NR
153	Clause 52(1)	Clause 4.1.1	The licensee must make the specified information publicly available.	3	As there is no connection or billing of water services, this information is not required. Other "prescribed information" is available in the Customer Charter with the exception of the information noted in obligations 148A, 149A and 150 above prior to September 2023 when the updated Charter was loaded on the website. As this has been resolved in the audit period, no further recommendation is made.	A	2
154	Clause 52(2)	Clause 4.1.1	The licensee must ensure that the specified information about bills may be obtained from its website.	4	As there is no billing for water services, this obligation is not rated.	NP	NR
154A A	Clause 52(3)	Clause 4.1.1	A licensee must ensure that the specified information about Part 9 may be obtained from its website. <i>Effective from July 2024.</i>	4	Clause 52(3) states that "A licensee must ensure that the following information about Part 9 (Preserved Supply Register) may be obtained from its website: a) that a person mentioned in clause 54(1)(a) or (b) may apply to be recorded on a register under that Part; b) the process for applying to be recorded on a register under that Part;	NP	2

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
					<p>c) the obligations placed on the licensee under that Part in the event of a service interruption.” Clause 54(1) states “This clause applies if a licensee:</p> <ul style="list-style-type: none"> a) receives notice or otherwise becomes aware that a person who resides at a supply address requires water for the operation of a dialysis machine or other life support equipment; or b) assesses and determines that a person who resides at a supply address requires water for a special need of another kind.” <p>The audit could not locate the specified information about the Preserved Supply Register on the website.</p> <p>This audit confirmed that the Preserved Supply Register was set up in February 2024, including customer engagement to inform the initial population of the Preserved Supply Register. There were zero nominations received through the customer engagement. The audit sighted the Preserved Supply Register with zero nominations.</p> <p>As there has been no nominations in the audit period, this is considered a minor non-compliance.</p> <p>Recommendation 1/2024</p> <p><i>BHP Nickel West should include information for customers with special needs for water, about how to apply for inclusion in the Preserved Supply Register and the obligations of BHP in the event of a service interruption.</i></p>		

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
154A	Clause 52(4)	Clause 4.1.1	The licensee must ensure that its website contains a link to the current version of this code WA legislation website.	3	As noted in the previous 2022 audit, there was no link on the BHP Nickel West Leinster website to the current version of the <i>Water Services Code of Conduct (Customer Service Standards) 2018</i> on the WA legislation site. Since September 2023, the link to the <i>Water Services Code of Conduct (Customer Service Standards) 2018</i> on the WA government legislation site is available in the Customer Charter on the website. As this has been resolved in the audit period, no further recommendation is made.	NP	2
154B	Clause 52(2)	Clause 4.1.1	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 54(1). The register must record the prescribed information in clauses 54(2)(b) and 54(4). Obligations 154B to 154D apply only to potable water services.	1	The Superintendent, HSSEM and onsite interviews confirmed there were no disconnections of any water supply to residences during the audit period. The previous audit in 2022 noted that there was no Preserved Supply Register. This audit confirmed that the Preserved Supply Register was set up in February 2024, including customer engagement to inform the initial population of the Preserved Supply Register. There were zero nominations received through the customer engagement. The audit sighted the Preserved Supply Register with zero nominations. As this has been resolved in this audit period and there were zero nominations, no further recommendation is made.	A	2
154C	Clause 52	Clause 4.1.1	The licensee must not, under section 95(1)(b) of the Act, reduce the rate of flow of a supply of water to a supply	1	The Superintendent, HSSEM and onsite interviews confirmed there were no reduced flow of any water	A	NR

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
			address recorded on the preserved supply register. * *Potable water only. <i>Effective from July 2024.</i>		supply to residences during the audit period. The audit sighted the Preserved Supply Register.		
154C C	Clause 54(3)	Clause 4.1.1	The licensee must, within 5 business days after recording a person on the register, provide the specified information in writing to the person. <i>Effective from July 2024.</i>	1	The Superintendent, HSSEM and review of the Preserved Supply Register confirmed there were no customers on the Register in the audit period. Customers were notified of the Preserved Supply Register by emailed letter in October 2023.	A	NR
154D	Clause 56	Clause 4.1.1	Despite clause 46(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 46(1) must be given in the specified manner.	1	As per obligation 154C.	A	NR
Other Licence conditions							
155	<i>Water Services Act</i> Section 12	Clause 4.2.1	The licensee must pay the applicable fees and charges in accordance with the Economic Regulation Authority (Licensing Funding) Regulation 2014.	3	The fee for 2023/24 due by 30 September 2024 was not paid until November 2024. As the payment was overdue, this is considered a non-compliance with minor impact and did not affect customers. The payment was overdue due to an incorrect purchase order number. The reminder is included in the Compliance Register. Recommendation 2/2024 <i>BHP should include a reminder in the Corporate Calendar to ensure that ERA invoices are paid by the due date.</i>	A	2

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
159	<i>Water Services Act</i> Section 12	Clause 4.1.2	The licensee must comply with a direction from the RA in relation to a breach of applicable legislation.	4	The Superintendent, HSSEM confirmed there have been no directions from the ERA.	NP	NR
160	<i>Water Services Act</i> 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.	4	The auditor reviewed BHP's Financial Statements for 2022/23 and 2023/24 audited by external accountants that confirmed the accounting records comply with accounting standards.	A	1
161	<i>Water Services Act</i> Section 12	Clause 5.2.1	The licensee must comply with any individual performance standards specified by the ERA.	4	The Superintendent, HSSEM and onsite interviews confirmed the water flow rate and pressure meet the performance standards in Schedule 2 of the licence. The required performance standards are documented in the Drinking Water AMP. This obligation is also stated in the Water Services Licence Audits and Reporting Requirements (NLN-HSEC-PRO-0222).	A	1
162	<i>Water Services Act</i> 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.	4	This audit/review is designed in accordance with the Audit Guidelines. The licensee has fully cooperated with this audit. This obligation is stated in the Drinking Water AMP and Sewerage AMP (section 9).	A	1
163	<i>Water Services Act</i> Section 12	Clause 4.7.1(a), (b), (c)	The licensee must report to the ERA, in the manner specified, 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 obligations.	4	The auditor confirmed by interview and review of BHP's Financial Reports for the audit period that it was not under external administration during the audit period.	NP	NR
165	<i>Water Services Act</i>	Clause 4.8.1	The licensee must provide the ERA specified information relevant to the operation of the licence or the licensing	4	In accordance with the Water Compliance Reporting Manual 2024 and previous versions, BHP is required to submit to the ERA:	A	1

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
	Section 12		scheme, or the performance of the ERA's function under the Act in the manner and form specified by the ERA.		<ul style="list-style-type: none"> Annual performance reports no later than 31 August for the reporting year ending 30 June; and Annual compliance reports by 31 August for the year ending 30 June. <p>The Compliance and Performance Reports for 2022/23 and 2023/24 confirmed the reports had been submitted by the due dates. This obligation is documented in the Water Services Licence Audits and Reporting Requirements (NLN-HSEC-PRO-0222).</p>		
167	<i>Water Services Act</i> Section 12	Clause 4.8.2	The licensee must 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.	3	The auditor reviewed BHP's correspondence with the ERA and the Performance Reports for 2022/23 and 2023/24 and confirmed the reports had been submitted with the required data.	A	1
168	<i>Water Services Act</i> Section 12	Clause 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 under clause 3.8.1.	4	The auditor confirmed with Superintendent, HSSEM that there were no directions from the ERA to publish information.	NP	NR
169	<i>Water Services Act</i> Section 12	Clause 3.7.1	Unless otherwise specified, all notices must be in writing.	4	The auditor reviewed BHP's correspondence with the ERA in the audit period and confirmed compliance. All correspondence observed was in hardcopy letter or email.	NP	1
170A	<i>Water Services Act</i> Section 12	Clause 5.1.1(a) and (b)	The licensee must notify the ERA of the details of the asset management system within five business days from the later of:	4	The ERA has been notified of and has approved the asset management system as part of the licence application and approval.	NP	1

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
	<i>(Applicable from May 2020)</i>		a) the commencement date; or b) the completion of construction of the licensee's water service works.				
171	<i>Water Services Act</i> 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.	4	The auditor confirmed with Superintendent, HSSEM and field observations that no changes have been made to the Asset Management System (AMS) during the audit period. BHP maintains a legal register which contains all relevant legislation that is applicable to its operations. The HSEC Licences and Approvals procedure includes the requirement to notify the ERA of any material change to the AMS within 10 days.	A	NR
172	<i>Water Services Act</i> Section 12	Clause 5.1.7	The licensee must cooperate with the independent expert and comply with the ERA's audit and review guidelines dealing with the asset management system review.	4	This review is being undertaken in accordance with the Audit and Review Guidelines. The licensee has fully co-operated with this asset management review. This obligation is stated in the Drinking Water AMP and Sewerage AMP (section 9) and the Water Services Licence Audits and Reporting Requirements (NLN-HSEC-PRO-0222).	A	1
172A	<i>Water Services Act</i> 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	4	The Superintendent, HSSEM confirmed there have been no directives from the ERA.	NP	NR

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
			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.				
172B	Water Services Act Section 12	Clause 6.1.2	The licensee must comply with a direction given to the licensee under clause 6.1.1.	4	The Superintendent, HSSEM confirmed there have been no directives from the ERA.	NP	NR
181	Water Services Act 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.	4	The auditor confirmed with Superintendent, HSSEM that BHP was not appointed as a supplier of last resort.	NP	NR
182	Water Services Act Section 12	Clause 4.4.1(b)	If the licensee provides a water service outside of the operating area the licensee must apply to amend the licence unless otherwise notified by the ERA.	4	The Superintendent, HSSEM and the site visit confirmed there have been no water services provided outside of the operating area stated in the licence. This is also stated in the Drinking Water AMP and Sewerage AMP.	A	NR
184	Water Services Act 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 Health.	3	A Memorandum of Understanding (MoU) for Drinking Water was executed between BHP and DoH on 17 June 2024. The auditor sighted the MoU. As this was resolved in this audit period, no further recommendation is made.	A	2

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
184A	<i>Water Services Act</i> Section 12	Clause 7.1.2	Where the licensee provides sewerage services, 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 Health.	4	As confirmed by the ERA and review of the licence, the licence does not require a separate MoU for sewerage services. Therefore, this obligation is not rated.	NP	NR
184B	<i>Water Services Act</i> 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.	4	As confirmed by the ERA and review of the licence, the licence does not require a separate MoU for sewerage services. Therefore, this obligation is not rated.	NP	NR
185	<i>Water Services Act</i> 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.	4	The MOU has been approved by DoH and BHP and complies with the legal obligations of DoH.	A	1
186	<i>Water Services Act</i> Section 12	Clause 7.1.5	The licensee must comply with the terms of a Memorandum of Understanding.	4	A Memorandum of Understanding (MoU) for Drinking Water was executed between BHP and DoH on 17 June 2024. The audit confirmed the MOU has been complied with to the end of this audit period being 30 September 2024.	A	1

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
187	<i>Water Services Act</i> 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. <i>(Potable water and sewerage services).</i>	4	The audit confirmed the MoU for Drinking Water has been published on the BHP website within one month of signing.	NP	1
188	<i>Water Services Act</i> 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 or a frequency specified by the Department of Health.	4	As the MoU with the Department of Health has only been finalised in June 2024, there are no audits in this audit period.	NP	NR
189	<i>Water Services Act</i> 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.	4	The auditor confirmed that Quarterly Potable Water Reports are not yet due in this audit period. This obligation is stated in the Water Services Licence Audits and Reporting Requirements (NLN-HSEC-PRO-0222) (Updated October 2024).	A	NR
190A	<i>Water Services Act</i> Section 12	Schedule 2 Clause 1.1	The water service works provided by the licensee, for the purpose of water supply services, shall be designed, constructed, operated and maintained to provide continuity of pressure and flow for the services in accordance with the specified standards in Schedule 2. <i>Effective from July 2024</i>	4	From onsite interviews, the audit confirmed the water flow/pressure is being complied with. The required performance standards are documented in the AMP – Water.	A	1

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
190B	<i>Water Services Act</i> Section 12	Schedule 2 Clause 1.2	The licensee must notify: <ul style="list-style-type: none"> new customers upon purchase of the affected property as soon as practicable; and existing customers at least annually, if the pressure and flow of the water supplied to the customer's property falls outside of the pressure and flow range standards specified in Schedule 2 clause 1.1. <i>Effective from July 2024</i>	4	From onsite interviews, the audit confirmed the water flow/pressure standards are being complied with. There have also been no new customers in the audit period.	NP	NR
190C	<i>Water Services Act</i> 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. <i>Effective from July 2024</i>	4	The Superintendent, HSSEM and the site visit confirmed there have been no restrictions of water supply since July 2024 to the end of this audit period in September 2024.	NP	NR
Water Services Code of Practice (Family Violence) 2020⁷.							
191	Clause 5(1)	Clause 4.1.1	The Licensee must have a family violence policy that sets out the matters specified in clause 5(1).	3	The Family violence policy (for NiW potable water customers in the Leinster community) has been implemented in February 2024. This policy is available via a link on the BHP website. The audit sighted the policy on the BHP website. As this has been resolved in this audit period, no further recommendation is made.	A	2

⁷ This Water Services Code of Practice (Family Violence) 2020 applies the Code to a licensee that provides a water service to a residential customer. A "residential customer" in the Code means a customer who uses the place where a water service is provided, solely or primarily as the customer's dwelling

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
192	Clause 5(2)	Clause 4.1.1	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.	3	Refer obligation 191.	A	2
193	Clause 6	Clause 4.1.1	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.	3	Refer obligation 191.	A	2
194	Clause 7	Clause 4.1.1	A licensee must review its family violence policy at least once in every 5 year period, and additionally, if directed to do so by the Minister.	4	The Family Violence Statement was issued in February 2024 and is not yet due for review.	NP	NR
195	Clause 8(1)	Clause 4.1.1	A licensee must maintain adequate records in relation to compliance with this code or any policy made under the code.	4	The Superintendent, HSSEM confirmed that any matters related to compliance with the Code or policy would be recorded in BHP's records. There have been no records required in this audit period.	NP	NR
196	Clause 8(2)	Clause 4.1.1	If the licensee is not a government organisation according to the <i>State Records Act 2000 (WA)</i> , a record that relates to a customer, must be retained for at least 7 years after the last communication between the licensee and the customer, or water services ombudsman. If the record does not relate to a customer, then the record must be kept for at least 7 years after the record is made.	4	The Superintendent, HSSEM confirmed that any matters related to customers are retained for at least 7 years. There have been no customer records required in the audit period.	NP	NR

No ³	Legislative Reference	Licence Condition	Description	Audit Priority ⁴	Systems, Processes, Controls in Place to Comply with Licence (including any recommendations)	Adequacy of Controls Rating ⁵	Compliance Rating ⁶
197	Clause 9	Clause 4.1.1	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 licensee's complaints procedure under clause 46 of the Water Services Code of Conduct (Customer Service Standards) 2024.	4	The Superintendent, HSSEM confirmed there has been no contact from customers affected by family violence.	NP	NR
198	Clause 10	Clause 4.1.1	A licensee must ensure that its website contains a link that provides access to the current version of the 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.	3	The BHP website has a link to the current version on the <i>Water Services Code of Practice (Family Violence Policy) 2020</i> from February 2024. As this has been resolved in this audit period, no further recommendation is made.	A	2

3.8 Audit Recommendations

Table of Current Audit Non- Compliances and Recommendations

A. Resolved during current audit period			
Recommendation (no./year)	Non-Compliance/Controls Improvement (Licence obligation ref. and obligation/ Rating/ Non-compliance or inadequacy of control)	Date Resolved (& management action taken)	Auditor's Comments
	Nil		
B. Unresolved at end of current audit period			
Recommendation (no./year)	Non-Compliance/Controls Improvement (Rating/Licence obligation ref. and obligation/Non-compliance or inadequacy of control)	Auditor's Recommendation	Action taken by the licensee by end of audit period
1/2024	<p>Preserved Supply Register Information on Website Rating: NP/2</p> <p><i>Obligation 154AA - A licensee must ensure that the specified information about Part 9 may be obtained from its website. (Effective from July 2024).</i></p> <p>Clause 52(3) states that “A licensee must ensure that the following information about Part 9 (Preserved Supply Register) may be obtained from its website:</p> <ul style="list-style-type: none"> a) that a person mentioned in clause 54(1)(a) or (b) may apply to be recorded on a register under that Part; b) the process for applying to be recorded on a register under that Part; c) the obligations placed on the licensee under that Part in the event of a service interruption.” <p>Clause 54(1) states “This clause applies if a licensee:</p> <ul style="list-style-type: none"> a) receives notice or otherwise becomes aware that a person who resides at a supply address requires water for the operation of a dialysis machine or other life support equipment; or 	BHP Nickel West should include information for customers with special needs for water, about how to apply for inclusion in the Preserved Supply Register and the obligations of BHP in the event of a service interruption.	No action to end of audit period.

B. Unresolved at end of current audit period			
Recommendation (no./year)	Non-Compliance/Controls Improvement (Rating/Licence obligation ref. and obligation/Non-compliance or inadequacy of control)	Auditor's Recommendation	Action taken by the licensee by end of audit period
	<p>b) assesses and determines that a person who resides at a supply address requires water for a special need of another kind.”</p> <p>The audit could not locate the specified information about the Preserved Supply Register on the website.</p> <p>This audit confirmed that the Preserved Supply Register was set up in February 2024, including customer engagement to inform the initial population of the Preserved Supply Register. There were zero nominations received through the customer engagement. The audit sighted the Preserved Supply Register with zero nominations.</p> <p>As there has been no nominations in the audit period, this is considered a minor non-compliance.</p>		
2/2024	<p>Licensing Payments to ERA Rating: A2</p> <p><i>Obligation 155 – The licensee must pay the applicable fees and charges in accordance with the Economic Regulation Authority (Licensing Funding) Regulation 2014.</i></p> <p>The fee for 2023/24 due by 30 September 2024 was not paid until November 2024. As the payment was overdue, this is considered a non-compliance with minor impact and did not affect customers.</p> <p>The payment was overdue due to an incorrect purchase order number. The reminder is included in the Compliance Register.</p>	<p>BHP should include a reminder in the Corporate Calendar to ensure that ERA invoices are paid by the due date.</p>	<p>No action to end of audit period.</p>

Appendix A - Methodology

A1. Audit Approach

Our approach to meeting the requirements for the operational audit is set out below.

Audit Planning

- Conduct an initial meeting with the ERA to confirm the audit approach and timing for the audit and review (*not required*).
- Contact the licensee to gain an understanding of the business, relevant management plans and systems that may affect the risk assessment for planning purposes.
- Prepare a risk assessment including any specific factors or changes relevant to the licensee (in tabular form against each licence condition).
- Submit a draft **Audit Plan**, including the risk assessment and proposed approach, to the ERA for review and approval.
- Send a **Pre-Visit Checklist** of information and documentation to the licensee to enable staff to prepare for the visit (and where possible, send us information prior to the site visit).

Fieldwork

- Undertake a visit to the licensee and conduct various meetings with stakeholders, including corporate services and works/facilities management personnel, to determine the effectiveness of systems and procedures in place and to compare actual performance against the licence standards.
- Obtain copies of the latest asset management plans, performance reporting statistics and relevant correspondence between the licensee and the ERA for the audit period.
- The audit steps for the **Operational Audit** will include:
 - **analysis of documented procedures** to assess whether they are consistent with regulatory requirements or arrangements under the licence;
 - **review of systems and procedures** to assess whether they reflect compliance obligations and performance standards, including assessing and testing the following:
 - **control environment** – management’s philosophy and operating style, organisational structure, assignment of authority and responsibilities, the use of internal audit, the use of information technology and the skills and experience of the key staff members;
 - **information system** – the appropriateness of the information systems to record the information needed to comply with the licence, accuracy of data, security of data, cyber security and documentation describing the information system;
 - **control procedures** – the presence of systems and procedures to monitor compliance with the licence or the effectiveness of the asset management system and to detect and correct non-compliance or under-performance;
 - **compliance attitude** - the action taken by the licensee in response to the previous audit/review recommendations, and an assessment of management’s attitude towards compliance; and
 - **outcome compliance** – the actual performance against standards prescribed in the licence throughout the audit period.

- Update the risk assessment with any new information obtained in the course of the audit testing and, in instances of significant non-compliance, assess the licensee's plan to ensure compliance and recommend any further improvements to achieve compliance.

Audit Reporting

- Prior to the conclusion of the visit, the lead auditor will discuss any observations and recommendations with the licensee's management to confirm our understanding of the issues and to discuss the action to be taken.
- Provide a draft report to the ERA for review no later than two weeks before the final report is due and make any revisions necessary.
- Provide the updated draft report to the ERA for review and feedback prior to finalising the report.
- Issue the final report to the ERA.
- The ERA will arrange responses to the proposed actions in the Post Audit Implementation Plan.

A2. Key Documents Reviewed

Regulatory Documents and Reports

- Water Services Act 2012
- Water Services Code of Conduct (Customer Service Standards) 2018
- Water Services Code of Practice (Family Violence) 2020
- Water Services Regulations 2013
- 2019 Audit and Review Guidelines: Water Licences (updated August 2022)
- Water Services Operating Licence WL52 – Version 2 (from 21 September 2021 to current).
- Map of Licence Operating Area OWR-OA-318
- WL52 Post Audit Implementation Plan
- Compliance reports to ERA for 2022/23 and 2023/24
- Performance reports to ERA for 2022/23 and 2023/24
- Performance reporting datasheets for 2022/23 and 2023/24
- Memorandum of Understanding between the Department of Health and BHP Nickel West on Drinking Water quality (17 June 2024) and Binding Protocols
- Energy & Water Ombudsman membership

Operational Audit

- BHP Annual Report for 2022/23 and 2023/24
- Relevant correspondence between the Licensee and the ERA
- Customer Charter - Leinster Drinking Water and Wastewater Services (September 2023)
- Customer Complaints Procedure (included in Customer Charter)
- NiW Leinster Township Customer Feedback Register
- Water Services Licence Audits and Reporting Requirements (NLN-HSEC-PRO-0222).
- Asset Management Plan – Leinster Drinking Water Supply System
- Asset Management Plan – Leinster Sewerage System
- Nickel West Leinster Drinking Water Quality Management Plan
- Nickel West Leinster Drinking Water Source Protection Plan
- Leinster Drinking Water Supply System - Operations and Maintenance Manual

- Leinster Drinking Water Incident Response Plan
- Drinking Water Quality Management Plan: Leinster Drinking Water
- Drinking Water Quality Monitoring and Sampling
- Leinster Annual Water Report FY24
- Leinster Drinking Water System Performance Review
- WL52 Family Violence Policy
- WL52 Preserved Supply Register

A3. Key Contacts

The licensee's representatives participating in the audit were:

Water monitoring and compliance (Perth and Leinster office)

- [REDACTED] (Superintendent Health, Safety, Security & Emergency Management, Nickel West, Northern Operations). ("Superintendent, HSSEM)
- [REDACTED] (Health Hygiene Principal)
- [REDACTED] (Specialist Occ. Hygiene)

Water treatment and distributions operations / Maintenance (Leinster office)

- [REDACTED] (Superintendent Facilities Maintenance)
- [REDACTED] (Superintendent Asset Integrity)
- [REDACTED] – Supervisor, Site Services

A4. Consultants

NAME AND POSITION	BUDGET HOURS
Geoff White - Director	20
Susan Smith - Manager	35
TOTAL	55

END OF REPORT