

# Audit and review report

2024 operational audit and asset management review of the City of Kalgoorlie-Boulder



Prepared for:  
ERAWA

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## Revision Schedule n

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# Executive Summary

## Background

City of Kalgoorlie-Boulder (CKB) holds an Operating Licence (WL4) which permits the provision of non-potable water supply and sewerage services and to undertake, maintain and operate any associated works to the City of Kalgoorlie-Boulder. The operating licence was granted by the Economic Regulation Authority on 29 April 1996. The most current version of the licence, Version 8, was issued on 19 March 2021.

Stantec was commissioned by the Economic Regulation Authority of Western Australia (ERAWA) in November 2024 to undertake an audit and review of CKB in accordance with Sections 24 and 25 of the Water Services Act 2012.

The purpose of the audit was to:

1. Assess CKB's level of compliance against the conditions of its licence (Operational / Licence Audit)
2. Assess the effectiveness of measures implemented by CKB for the proper management of assets used in the provision and operation of its services (Asset Management System Review).

This audit report outlines the findings of an audit of City of Kalgoorlie-Boulder to fulfil the above objectives, conducted on 10-12 February 2025. The audit and review covered the operating period from 1 January 2023 to 31 December 2024.

## Operational audit

The audit was carried out in accordance with the 2019 Audit and Review Guidelines: Water Licences, (August 2022).

### *Operational audit - status of previous findings*

The previous Audit was conducted by Stantec in respect of the period 1 January 2021 to 31 December 2022. The 2022 audit and review report, dated 8 May 2023, identified 7 instances of inadequate controls and/or non-compliance with individual obligations. The statuses of previous audit findings are provided in Table 1.

Table 1: Status of previous audit findings

Reference	Finding	Status
A1/2022	CKB's procedure has referring complaints to the Energy & Water Ombudsman as an escalation if the customer is not satisfied with CKB's response or solution instead of informing customers that they may, but do not have to, use CKB's complaints procedure before or instead of applying to the water services ombudsman (Obligation 116).	Resolved
A2/2022	CKB's Complaints Handling Policy does not give any indication as to whether it was developed using as minimum standards the relevant provisions of AS/NZS 10002-2014 and the ERA's 'Customer Complaints Guidelines: distinguishing customer queries from complaints' (Obligation 146).	Resolved



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A3/2022	CKB makes previous rates information available to customers on request. However, there is a fee for reprints of rates notice, both for hard copy and electronic copy. The charges are set out in the annual Schedule of Fees and Charges. As such, CKB does not comply with the obligation to provide this information at no charge (Obligation 152).	Resolved
A4/2022	CKB website has been redesigned since the 2021 audit and we were not able to locate a link to the current version of the Water Services Code of Conduct (Customer Service Standards) 2018 (Obligation 154A).	Resolved
A5/2022	We were not able to locate the MoU of CKB's website during the audit. As a result, this is a non-compliance with the obligation (Obligation 187).	Resolved
A6/2022	CKB has not developed a family violence policy (Obligations 191, 192, 193, 197 and 198).	Resolved

Full details of our findings from the previous Operational Audit are provided in Section 3.4.

### ***Operational audit - findings from current audit***

Issues identified during the current audit (with reference to the summary of recommendations in Section 3.5):

#### **Water Services Code of Conduct (Customer Service Standards)**

1. A1/2024 – Update the rates notice to include the missing prescribed information. This may be achieved by referring customers to the Water Services Customer Service Charter (bill review and complaints process). The National Interpreter Symbol also needs to be included (Obligation 102A)
2. A2/2024 - CKB should create a dedicated complaints procedure that is easily accessible (via CKB's website) and not contained within the Water Services Customer Charter. All relevant documentation (policy and procedures) addressing complaints should refer directly to the standalone procedure. The Customer Complaints Form should be reviewed and made available on CKB's website (obligation 146).
3. A3/2024 - The annual compliance reporting obligation should be tracked in Attain to ensure the report is delivered on time (Obligation 165).

#### **Water Services Code of Practice (Family Violence) 2020**

4. A4/2024 - Review and update the Water Services Family Violence Policy. The policy requires improvement to fully satisfy the requirements of Water Services Code of Practice (Family Violence) 2020 Clause 5(1). Specifically, Stantec have identified the following gaps in the policy that will need to be addressed (Obligation 191):
  - The training to be provided to employees
  - A process by which the account of a Customer Affected by Family Violence (CAFV) can be identified by employees without the need for customers to repeat details of the issues
  - How and when information about external services offering support is to be provided to the CAFV
  - How the info obtained from a CAFV is protected
  - The circumstances a CAFV is taken to be experiencing payment difficulties or financial hardship
  - How CKB will deal with debt management and recovery in relation to a CAFV account



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### Executive Summary

- A statement that CKB will not request written evidence of violence for customer unless evidence is reasonably necessary to enable CKB to assess appropriate measures it may take in relation to debt management and recovery

### **Operational audit - effectiveness of controls**

We consider that CKB generally has adequate controls in place that are appropriate to the nature and scale of its activities.

We observed four obligations (Obligations 102A, 146, 165 and 191) where we consider that CKB does not have effective controls. The obligations where inadequate controls were evident are related to items under the Water Services Code of Conduct (Customer Service Standards) and the Water Services Code of Practice (Family Violence).

### **Operational audit - overall compliance**

The overall compliance of CKB with its licence is summarised in Section 3.5 of this report. We observed that CKB has been non-compliant over the course of the audit period with a total of four of its obligations. All other items were assessed as compliant or not able to be rated.

A summary of audit ratings for both controls and compliance across all obligations is presented in the following table.

*Table 2: 2024 compliance and controls rating summary*

		Compliance rating					Total
		1	2	3	4	N/R	
Controls rating	A	30	0	0	0	1	31
	B	3	3	0	0	1	7
	C	0	0	1	0	0	1
	D	0	0	0	0	0	0
	N/P	77	0	0	0	55	132
	Total	110	3	1	0	57	171

CKB's representatives were cooperative throughout the audit and demonstrated an understanding of the importance and purpose of each licence obligation. Accordingly, we propose extending the audit period to 36 months to reduce the cost of regulation whilst maintaining an appropriate level of oversight of their performance.



## **Asset management review**

The asset management system review assessed the performance of CKB against the key asset management processes and effectiveness criteria set out in the ERA Guidelines.

### ***Asset management review - status of previous findings***

The previous Review was conducted by Stantec in respect of the period 1 January 2021 to 31 December 2022. The 2022 audit and review report, dated 8 May 2023, did not identify any recommendations.

### ***Asset management review - findings from current review***

Based on the observations and findings from our review of CKB's asset management system effectiveness, we have only rated one of the asset management components at "C" for the process and policy and "3" for performance. Therefore, we have provided a recommendation in this audit report in accordance with the ERA's requirements.

1. R1/2024 - Review, improve and update the Water Services Asset Management Plan. Ensure that review cycles are defined for elements of the asset management system and that reviews are completed on time.

We have identified a few improvement opportunities for some of CKB's asset management processes and effectiveness criteria that received a rating other than those listed above. We have provided these suggestions directly to CKB in accordance with the ERA's requirements.

### ***Asset management review - control environment***

We consider that CKB has adequate controls in place for its asset management functions that are appropriate to the nature and scale of its activities. The establishment of the Asset Management Steering Committee will ensure the continued monitoring and improvement of the asset management system.

### ***Asset management review - overall effectiveness***

A summary of our assessment of the effectiveness of CKB's Asset Management System is provided in Section 4.5.

Based on our observations and finding during the review, we have assigned "A1" ratings to 6 of the 12 key processes reviewed. We have assigned "B2" ratings to the remainder of the key processes. We do not consider that there are any asset management criteria that require substantial improvement or corrective action required.



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We have summarised our ratings of the effectiveness of the CKB's asset management system in the following table.

*Table 3: Summary of 2024 review ratings*

<b>Asset management process &amp; effectiveness criteria</b>	<b>Asset management process and policy rating</b>	<b>Asset management performance rating</b>
Asset planning	B	2
Asset creation/acquisition	A	1
Asset disposal	A	1
Environmental analysis	A	1
Asset operations	A	1
Asset maintenance	B	2
Asset management information system	A	1
Risk management	B	2
Contingency planning	A	1
Financial planning	B	2
Capital expenditure planning	B	2
Review of AMS	B	2



## **Acronyms**

AMP	Asset Management Plan
CCTV	Closed-circuit television
CKB	City of Kalgoorlie-Boulder
DoH	Department of Health
DWER	Department of Water and Environmental Regulation
ERA	Economic Regulation Authority
IDEA	Intermittent Decanted Extended Aeration
LTFP	Long-Term Financial Plan
MoU	Memorandum of Understanding
OH&S	Occupational Health and Safety
RAMM	Road Assessment and Maintenance Management
SBWWTP	South Boulder Wastewater Treatment Plant
SCADA	Supervisory control and data acquisition
SOP	Standard Operating Procedure
SPS	Sewage Pumping Station
WWTP	Wastewater treatment plant



# **1 Introduction**

## **1.1 The City of Kalgoorlie-Boulder**

CKB is located approximately 600 kilometres east of Perth and has a population of around 31,000 people. CKB operates a sewerage service to an estimated 13,000 connected properties. It also operates a non-potable water supply for a small number of large commercial customers and for internal irrigation. CKB operates its sewerage and non-potable water services in accordance with an operating licence issued by the ERA.

The sewerage network consists of approximately 220 kilometres of sewer pipe, the 8 ML/d South Boulder wastewater treatment plant, sludge and holding lagoons, balance ponds, pump stations, and ancillary infrastructure, such as flow meters and pipe networks.

## **1.2 Biennial operational audit and asset management review**

The ERA is responsible for regulating the economic framework for water in Western Australia. Its primary objective is to ensure the provision of a competitive and fair environment, particularly where businesses operate as natural monopolies.

The ERA administers the licencing scheme for water licences under the *Water Services Act 2012* (the Act). Under the Act, licensees are obliged to provide an operational audit and asset management system review once every 24 months (or as otherwise required). The audit and review are to be undertaken by an independent expert. The ERA has responsibility for engaging an independent expert to undertake the audits and reviews.

Section 24 of the Act requires the licensees to have an Asset Management System in place that is independently reviewed. The ERA has published *The Audit and Review Guidelines: Water Licences* to inform independent experts on the requirements for undertaking Audits and Reviews. The latest version of the Guidelines was published on 9 August 2012. The Guidelines set out the standard process for conducting audits and reviews, the scope of the audits and reviews, and the criteria for determining the effectiveness (or otherwise) of the asset management system. The previous review was completed in 2023.

Section 25 of the Act requires the licensee to provide the ERA with an independent operational audit per *The Audit and Review Guidelines*. The previous audit was completed in conjunction with the previous review in 2023.

## **1.3 Purpose of this report**

As a condition of the water licence, licensees are required to conduct an operational audit and asset management review that assesses the performance of the licensee against its obligations under the licence.

The purpose of the operational audit is to assess the effectiveness of measures taken by the licensee to meet the conditions referred to in the licence including the legislative obligations called up by the



## **Audit and review report**

### Scope of work

licence. The scope of the audit report includes assessing the adequacy and effectiveness of performance against the requirements of the licensee by considering:

- process compliance
- outcome compliance
- output compliance
- integrity of reporting
- compliance with any individual license conditions

The purpose of the asset management review is to assess the licensee's asset management system, which includes the asset management plan, and the staff and IT resources that support the plan. The scope of the review includes an assessment of the adequacy and effectiveness of the licensee's asset management system by evaluating the asset management processes set out in Section 4.1.

CKB's water services licence number is WL4. Version 8 of WL4 is the current licence and was issued on 19 March 2021. The last audit of the operating licence and review of the asset management system for CKB covered the period from 1 January 2021 to 31 December 2022. The report was finalised in May 2023. In accordance with the conditions set by the ERA, an audit that covers the period from 1 January 2023 to 31 December 2024 is required to be prepared and submitted to the ERA by 31 March 2025.

## **2 Scope of work**

### **2.1 Objectives and approach**

The objectives of this audit and review were to:

1. Provide to the Authority an independent assessment of CKB's compliance with all relevant obligations under the licence
2. Provide to the Authority an independent assessment of the effectiveness of CKB's asset management system in relation to WL4
3. Provide recommendations to address non-compliance

The audit was undertaken in accordance with ASAE3000. The scrutiny level (as per ASAE 3000) for the audit was a reasonable assurance engagement. The review was a limited assurance engagement.

Our approach to the reporting work was to work closely with the licensee so that comments and challenges could be responded to and addressed before the audit report was finalised.

The key areas of our approach included:

- Preparation of an audit and review plan. The plan identified the number and location of meetings, the information to be addressed and the auditor responsible. We aimed to design an effective program to make best use of our time and CKB's.
- A start-up discussion (by telephone or video conference) with CKB to:
  - Discuss the main issues to be addressed
  - Identify any issues from the previous audit and review



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### Scope of work

- Identify any new issues arising from changes to the Licence or operating environment requirements
- Discuss the plan
- Confirm timing of key milestones such as site visit
- On site work comprising:
  - Start-up meeting
  - Face-to-face interviews with business staff responsible for the relevant areas
  - Demonstration of key systems
  - Sample testing for outcome compliance (assessing a sample of documents to confirm procedures / policies are followed and implemented)
  - Review breach register and any non-compliances and assess if any corrective action was undertaken and its effectiveness
  - Inspection of the licensee’s sewage assets including the South Boulder wastewater treatment plant, Throssell Street sewage pump station, Androvich Way sewage pump station,
  - Inspection of the licensee’s recycled water assets including Old Boulder Reservoirs and pump station, Racecourse dam and pump station, Swan Lake dams and pump station and Piccadilly twin dams and pump station.
  - Preliminary feedback at the audit and review close-out meeting
- Preparation of an audit and review report that complies with the format prescribed in Chapter 5 of the 2019 Audit and Review Guidelines - Water Licences, for submission to the ERA.

Our methodology for completing this audit assignment was based on:

- A risk assessment that determined the priority of each audit area, using the risk management framework in Appendix A.
- Our understanding of the licensee’s business
- The experience of our audit team in undertaking regulatory audits which has been gained in several jurisdictions in Australia.
- The outcome of the previous audit completed of CKB.
- Our audit methodology, including the key documents required to be reviewed and the supporting systems that we requested to see demonstrated, is detailed in Sections 3.3 and 4.3.

## **2.2 Time period covered by the audit/review**

This audit and review covers the period from 1st January 2023 to 31st December 2024.

The audit/review commenced in January 2025 with preparation of the Audit and Review Plan which was approved in writing by the ERA on 29th January 2025.

Interviews with CKB staff were carried out from 10th to 12th February 2025 at CKB’s offices in Kalgoorlie, WA.



## 2.3 Licensee representatives

Details of representatives from CKB who participated in the audit and review process are provided in Table 4

*Table 4: Licensee representative details*

<b>Name</b>	<b>Organisation</b>	<b>Role</b>
Lui Camporeale	CKB	Director Engineering
Xandra Curnock	CKB	Executive Manager Finance
Johan La Roux	CKB	Manager Water, Waste and Sustainability
Jamie Hooper	CKB	Coordinator Water Services
Natasha Van Rooyen	CKB	Water Technical Officer (Compliance)
Jocelyn Power	CKB	Rates Coordinator
Rolfe Gubner	CKB	Coordinator Asset Management

## 2.4 Auditor details

The audit/review team comprised two staff members from Stantec. Details of their roles and hours utilised in the audit/review process are provided in Table 5.

*Table 5: Auditor team member details*

<b>Name</b>	<b>Organisation</b>	<b>Role</b>	<b>Hours Utilised</b>
Patrick Lamb	Stantec	Auditor and Project manager	45
Brad Thompson	Stantec	Auditor	120

## 2.5 Deviations from the audit and review plan

The following table lists the deviations from the approved audit and review plan. The obligations were deemed to be not applicable (N/A) and were excluded from the audit during the site interview and/or reporting phase.



## Audit and review report

### Scope of work

Table 6: Deviation from audit plan

Ref No.	Licence reference & Summary of licence obligation	Audit priority	Deviation
133A	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 32</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 35</i></p> <p>The licensee must not charge interest or fees for late payment of a bill by a customer in the specified circumstances.</p>		<ul style="list-style-type: none"> <li>▪ Under section 27(5) of the <i>Water Services Act 2012</i> (the Act), if a provision in the Code of Conduct is inconsistent with a provision of the Act or another written law, such as the <i>Local Government Act 1995</i>, it has no effect.</li> <li>▪ As CKB operate under the <i>Local Government Act 1995</i>, obligation 133A does not apply to CKB because under section 6.16, 6.45(3) and 6.51 of the <i>Local Government Act 1995</i>, CKB has the power to impose additional charges, including fees and interest.</li> </ul>
154AA (2024)	<p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 52(3)</i></p> <p>A licensee must ensure that the specified information about Part 9 may be obtained from its website.</p>	2	<ul style="list-style-type: none"> <li>▪ Part 9 of the Water Services Code of Conduct (Customer Service Standards) 2024 concerns the supply of water to a person with life support equipment or special needs.</li> <li>▪ CKB does not supply potable water and we consider that this obligation is not applicable to CKB</li> </ul>
170A	<p><i>Water Services Act Section 12</i></p> <p>The licensee must notify the ERA of the details of the asset management system within five business days from the later of:</p> <p style="margin-left: 20px;">a) the commencement date; or</p> <p>the completion of construction of the licensee's water service works.</p>	3	<ul style="list-style-type: none"> <li>▪ This obligation relates to licence condition 5.1.2 (a), (b).</li> <li>▪ However, WL4, version 8, as issued on 19 March 2021 specifically records clause 5.1.2 is "Not used".</li> <li>▪ Therefore, we have rated this obligation as being not applicable.</li> </ul>
196	<p><i>Water Services Code of Practice (Family Violence) 2020 Clause 8(2)</i></p> <p>If the licensee is not a government organisation according to the State Records Act 2000 (WA), 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.</p>	1	<ul style="list-style-type: none"> <li>▪ CKB is a government entity, therefore this obligation does not apply</li> </ul>



## **3 Operational audit**

### **3.1 Audit overview**

Stantec held a preliminary meeting to prepare for the audit with CKB on January 17<sup>th</sup> and conducted the audit onsite from February 10-12. Requests for additional information followed the audit, and CKB was cooperative and responsive. CKB are in a period of transition as it relates to the staff responsible for ensuring compliance with their obligations under their water license. This audit appears to be a valuable learning experience for those individuals, and they seem well positioned for the next audit period.

While there were some non-compliances observed during the audit, those non-compliances are fewer than in previous audits. The non compliances mostly relate to complications in their billing, as their bills for sewer are included in the rates notice. This requires their rates bills to be held to a higher standard as the obligations under the Water Services Code of Conduct are more stringent than those of the requirements for council rates. Despite these issues, no customers were impacted. We recommend extending the next audit period from 24 months to 36 months, and these observations also apply to the asset management review.

### **3.2 Operational audit scope**

The scope of the audit encompassed an assessment of the adequacy and effectiveness of performance of the licensee against the requirements of the licence by considering:

- Process compliance: the effectiveness of systems and procedures in place throughout the audit period, including the adequacy of internal controls.
- Outcome compliance: the actual performance against standards prescribed in the licence throughout the audit period.
- Output compliance: the existence of the output from systems and procedures throughout the audit period (specifically, proper records which provide assurance that procedures are consistently followed, and controls are maintained).
- Integrity of reporting: the completeness and accuracy of the compliance and performance reports provided to the ERA.
- Compliance with any individual licence conditions: the actual performance against the requirements imposed on the specific licensee by the ERA or specific matters raised by the ERA.

The scope of works of this audit included:

- Interviews with key staff members from CKB to:
  - » Assess findings from the last audit and review the actions taken to address the recommendations from the previous audit / review
  - » Assess performance against licence conditions for WL4
  - » Assess performance against each asset management process for WL4
- Review of documents, procedures and policy manuals in relation to financial management and planning, service performance standards, asset management, operations and maintenance functions and reporting
- Inspection of a sample of CKB assets used to provide the licensed services covered by WL4



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- Testing and assessment to determine whether the procedures and policies are followed and determine its effectiveness
- Preparation of an audit report in accordance with the format outlined in the 2019 Audit and Review Guidelines: Water Licences (Aug 2022).

The following key documents were reviewed as part of the audit process:

- CKB Annual Reports (2022/2023 and 2023/2024)
- Compliance reports (2022/2023 and 2023/2024)
- Performance report (2022/2023 and 2023/2024)
- Complaints handling policy
- Water Services Family Violence Policy
- Water Services Financial Hardship policy
- Water Services Customer service charter
- Water Services Quality Management Plan
- Water Services Standard Operating Procedures

### 3.2.1 Operational audit excluded conditions

Some of the reporting obligations for sewerage services and water supply have been excluded from the audit because they are not applicable to CKB. These are detailed in Table 7.

Table 7: Excluded conditions

2021 Compliance manual reference	Reference	Reason for exclusion
14	Water Services Act Section 60	CKB is not a supplier of last resort
21	Water Services Act Section 95(3)	CKB only supplied recycled water to non-residential customers and so does not supply to any occupied dwellings
22, 23	Water Services Act Water Services Act Section 96(1) and 96(5)	CKB does not provide water for fire services
26, 27	Water Services Act Section 110(3) and 112(5)	CKB does not provide drainage services under its Operating Licence
65	Water Services Regulations 2013 Regulation 23(2)	CKB does not supply recycled water to residential customers
70-72	Water Services Regulations 2013 Regulation 42(2), 42(3) and 42(6)	Backflow prevention is not required on non-potable water. CKB only supplies non potable water.
93	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 9(2) and (4)	CKB's recycled water customers do not meet the criteria for standard supply connections under the definition in Clause 9 of the Code
95-98A	Water Services Code of Conduct (Customer Service Standards) 2018 and 2024 Clause 11(2, 3, 4, 5 and 6)	CKB's non-potable water supply is not covered by the Water Services Code of Conduct and its sewerage service is not charged by quantity



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2021 Compliance manual reference	Reference	Reason for exclusion
100A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 13(3)	CKB issues separate rates notices for its sewerage service and its non-potable water supply service. Sewerage charges are levied by CKB on annual rate notices/tax invoices issued to customers. Charges for non-potable water supply services are levied on separate monthly tax invoices issued to its non-residential recycled water customers.
101 and 101A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 13(4 and 5) and 2024 Clause 13(3 and 4)	CKB's non-potable water supply is not covered by the Water Services Code of Conduct for these clauses.
103-106	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 14(1 and 2), 15(3), 16(1), and 17(2 and 3)	CKB's non-potable water supply is not covered by the Water Services Code of Conduct
127	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(5)	The grant of the license (1996) occurred more than six months before period being reviewed for this audit
135-144	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 40(1 and 2), Clause 36(1, 2, and 3), Clause 37(1)(a)-(g), Clause 38, 39, Clause 41(4 and 6) and 2024 Clause 43(1 and 2)	CKB's non-potable water supply is not covered by the Water Services Code of Conduct
154B, 154C, 154D	Water Services Code of Conduct (Customer Service Standards) 2018 Clauses 51(1) & (3), 52 and 53	CKB does not meet the criteria under Clause 51(2) as it does not provide water to residential customers. Water is not supplied to persons with special requirements or needs.
161	Water Services Act Section 12	There are no individual performance standards prescribed by the ERA for CKB
181	Water Services Act Section 12	CKB is not the supplier of last resort
184B	Water Services Act Section 12	WL4 only licences the CKB to provide non-potable water supply services and sewerage services.
190, 190A-I	Water Services Act Section 12	CKB'S license does not have any performance standards set out in Schedule 2



### 3.3 Audit methodology

Table 8: Licence audit methodology

Audit Area	Priority	Approach	Systems	Key Documents
<b>Licence Audit</b>				
Clause 3.7 Notices	5	<ul style="list-style-type: none"> <li>Confirm all notices are issued in writing</li> </ul>	<ul style="list-style-type: none"> <li>Correspondence register</li> </ul>	<ul style="list-style-type: none"> <li>Issued notices</li> </ul>
Clause 3.8 Publishing Information	5	<ul style="list-style-type: none"> <li>Check if any requests have been issued by the Authority to publish any information relating to the performance of the Licensee and correlating response</li> </ul>	<ul style="list-style-type: none"> <li>Correspondence register</li> </ul>	<ul style="list-style-type: none"> <li>Letters of notification / requests from the Authority</li> <li>Response to the Authority</li> </ul>
Clause 3.9 Review of the Authority's Decisions	5	<ul style="list-style-type: none"> <li>Confirm if any requests of a reviewable decision had been issued to the Authority and correlating response</li> </ul>		<ul style="list-style-type: none"> <li>Requests for review of decision (Correspondence)</li> </ul>
Clause 4.1 Compliance	Various	<ul style="list-style-type: none"> <li>Review legislative requirements and confirm compliance                             <ul style="list-style-type: none"> <li>Water Services Act 2012</li> <li>Water Services Regulations 2013</li> <li>Water Services Code of Conduct (Customer Service Standards) 2018</li> <li>Water Services Code of Practice (Family Violence) 2020</li> </ul> </li> <li>Identify any corrective action applied to correct / prevent breaches of compliance</li> </ul>		<ul style="list-style-type: none"> <li>Performance standards</li> <li>Compliance Summary Reports (record of breaches)</li> </ul>
Clause 4.2 Fees	5	<ul style="list-style-type: none"> <li>Review invoices from Authority and receipts of payment</li> </ul>	<ul style="list-style-type: none"> <li>Correspondence register</li> <li>Finance system</li> </ul>	<ul style="list-style-type: none"> <li>Invoices and receipts</li> </ul>
Clause 4.3 Provision of water services	Various	<ul style="list-style-type: none"> <li>Confirm the provision of services complies with those set out in the operating licence</li> </ul>		<ul style="list-style-type: none"> <li>Current plan of operating area</li> <li>Customer contracts in place for the provision of water services</li> </ul>
Clause 4.4 Provision of water services outside operating area	3	<ul style="list-style-type: none"> <li>Check whether the licensee provides water services outside its designated operating area.</li> </ul>	<ul style="list-style-type: none"> <li>Correspondence register</li> </ul>	<ul style="list-style-type: none"> <li>Correspondence with ERA</li> <li>Current plans of operating area and map of licensed operating area</li> </ul>



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Audit Area	Priority	Approach	Systems	Key Documents
Clause 4.5 Works holding arrangements	2	<ul style="list-style-type: none"> <li>Check whether any water service works that are not held by or for the licensee are covered by a Works Holding Arrangement agreement</li> </ul>		<ul style="list-style-type: none"> <li>Works Holding Arrangements</li> </ul>
Clause 4.6 Accounting Records	2	<ul style="list-style-type: none"> <li>Check that 2022/23 and 2023/24 financial statements are signed off as being to appropriate standards</li> </ul>	<ul style="list-style-type: none"> <li>Finance system</li> </ul>	<ul style="list-style-type: none"> <li>2022/23 Financial statement</li> <li>2023/24 Financial statement</li> </ul>
Clause 4.7 Reporting change in circumstances	4	<ul style="list-style-type: none"> <li>Review any correspondence with the Authority</li> </ul>	<ul style="list-style-type: none"> <li>Correspondence register</li> </ul>	<ul style="list-style-type: none"> <li>Correspondence with ERA</li> </ul>
Clause 4.8 Provision of Information	Various	<ul style="list-style-type: none"> <li>Confirm that the licensee has provided the Authority with data required for performance monitoring purposes as set out in the Compliance Reporting Manual.</li> </ul>	<ul style="list-style-type: none"> <li>Correspondence register</li> </ul>	<ul style="list-style-type: none"> <li>Annual compliance reports</li> <li>Correspondence register</li> </ul>
Clause 5.1 Asset management system	Various	<ul style="list-style-type: none"> <li>Confirm that an asset management system is in place (where a system is comprised of appropriate policy and planning documents, staff and supporting systems)</li> </ul>	<ul style="list-style-type: none"> <li>Enterprise Asset Management System</li> <li>Computerised Maintenance Management System</li> <li>Document management system</li> </ul>	<ul style="list-style-type: none"> <li>Asset Management Policies</li> <li>Asset Management Plans</li> <li>Asset Management Systems and Procedures Manual</li> <li>Asset Register</li> </ul>
Clause 5.2 Individual Performance Standards	NA	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>		
Clause 5.3 Operational audit	Various	<ul style="list-style-type: none"> <li>Confirm that the asset management policies and procedures meet legislative requirements.</li> </ul>	<ul style="list-style-type: none"> <li>Document management system</li> </ul>	<ul style="list-style-type: none"> <li>Previous audit</li> <li>Post-audit implementation plan</li> </ul>
Clause 6.1 Standard terms and conditions of service	3	<ul style="list-style-type: none"> <li>Check whether the Authority has directed the licensee to amend any standard terms or conditions of service.</li> <li>Confirm that any required amendments have been made within the specified period.</li> </ul>	<ul style="list-style-type: none"> <li>Correspondence register</li> <li>Document management system</li> </ul>	<ul style="list-style-type: none"> <li>Correspondence with ERA</li> <li>Examples of any changes to standard terms and conditions of service</li> </ul>
Clause 6.2 Water Services Ombudsman Scheme		<ul style="list-style-type: none"> <li>Confirm that the licensee is a member of the water services ombudsman scheme.</li> <li>Check whether the licensee has received any decision or direction from the water services ombudsman under the water services ombudsman scheme.</li> </ul>	<ul style="list-style-type: none"> <li>Correspondence register</li> <li>Document management system</li> </ul>	<ul style="list-style-type: none"> <li>Correspondence with the water services ombudsman</li> </ul>
Clause 6.3 Supplier of Last Resort	NA	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>		
Clause 7.1 Public Health	NA	<ul style="list-style-type: none"> <li>Confirm details of the Memorandum of Understanding with the Department of Health, including the date entered into</li> </ul>	<ul style="list-style-type: none"> <li>Correspondence register</li> </ul>	<ul style="list-style-type: none"> <li>Memorandum of Understanding</li> </ul>



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Audit Area	Priority	Approach	Systems	Key Documents
		<ul style="list-style-type: none"><li>• Review the licensee's compliance with the specified requirements</li><li>• Confirm that the Memorandum of Understanding has been published in accordance with the form agreed and within the required timeframe.</li><li>• Confirm other reports required by the Department of Health or by the Memorandum of Understanding have been published on the licensee's website in accordance with the requirements and at the required reporting frequency.</li></ul>	Website	<ul style="list-style-type: none"><li>• Correspondence with Department of Health</li><li>• Public health reports</li></ul>



### 3.4 Previous audit non-compliances and recommendations

Details of the actions completed by the CKB against each of the previous operational licence audit non-compliance and recommendations are presented in Table 9. We confirm that all non-compliances and recommendations from the 2022 audit have been resolved.

*Table 9: Resolved non-compliances and recommendations from the previous audit*

<b>A. Resolved during current audit period</b>				
<b>Recommendation reference</b> (no./year)	<b>Non-compliance / Controls improvement</b> (Rating / Licence obligation reference number and licence obligation / Details of non-compliance or inadequacy of controls)	<b>Auditor’s recommendation</b>	<b>Date resolved</b>	<b>Further action required</b> (Yes/No/Not applicable) <b>Details of further action required</b> (including current recommendation reference if applicable)
<b>A1/2022</b>	<ul style="list-style-type: none"> <li>• Number: 116</li> <li>• Rating D2</li> </ul> <p>The review procedure must state that the customer may, but does not have to, use the licensee’s complaints procedure mentioned in clause 46 before or instead of applying to the water services ombudsman or, if available, making an appeal from, or applying for a review of, the decision under regulations mentioned in section 222(2)(k) of the Act.</p>	CKB should update the text in its complaints procedures included on the back of rates notices, in the Customer Charter and on the Customer Complaint Form to make the procedure compliant with the requirements of Clause 20(4) of the Water Services Code of Conduct (Customer Service Standards) 2018.	26 June 2023	No further action required



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<b>A. Resolved during current audit period</b>				
<b>Recommendation reference</b> (no./year)	<b>Non-compliance / Controls improvement</b> (Rating / Licence obligation reference number and licence obligation / Details of non-compliance or inadequacy of controls)	<b>Auditor's recommendation</b>	<b>Date resolved</b>	<b>Further action required</b> (Yes/No/Not applicable) <b>Details of further action required</b> (including current recommendation reference if applicable)
<b>A2/2022</b>	<ul style="list-style-type: none"> <li>Number: 146</li> <li>Rating D2</li> </ul> <p>The licensee's complaints procedure must be developed using as minimum standards the relevant provisions of AS/NZS 10002-2014 and the ERA's guidelines (if any).</p>	We recommend that CKB should review its "Complaints Handling" policy using as minimum standards the relevant provisions of AS/NZS 10002-2014 and the ERA's "Customer Complaints Guidelines: distinguishing customer queries from complaints".	26 June 2023	No further action required
<b>A3/2022</b>	<ul style="list-style-type: none"> <li>Number: 152</li> <li>Rating D2</li> </ul> <p>The licensee must make available to each customer, 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.</p>	The CKB must make historical financial information regarding sewerage services provided available at no charge.	4 May 2023	No further action required



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<b>A. Resolved during current audit period</b>				
<b>Recommendation reference</b> (no./year)	<b>Non-compliance / Controls improvement</b> (Rating / Licence obligation reference number and licence obligation / Details of non-compliance or inadequacy of controls)	<b>Auditor's recommendation</b>	<b>Date resolved</b>	<b>Further action required</b> (Yes/No/Not applicable) <b>Details of further action required</b> (including current recommendation reference if applicable)
<b>A4/2022</b>	<ul style="list-style-type: none"> <li>Number: 154A</li> <li>Rating D2</li> </ul> <p>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.</p>	CKB should 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	21 April 2023	No further action required
<b>A5/2022</b>	<ul style="list-style-type: none"> <li>Number: 187</li> <li>Rating D2</li> </ul> <p>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.</p>	CKB should publish its MoU with the Department of Health in accordance with the requirements included in Clause 16.3 of the MoU.	21 April 2023	No further action required



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<b>A. Resolved during current audit period</b>				
<b>Recommendation reference</b> (no./year)	<b>Non-compliance / Controls improvement</b> (Rating / Licence obligation reference number and licence obligation / Details of non-compliance or inadequacy of controls)	<b>Auditor's recommendation</b>	<b>Date resolved</b>	<b>Further action required</b> (Yes/No/Not applicable) <b>Details of further action required</b> (including current recommendation reference if applicable)
<b>A6/2022</b>	<ul style="list-style-type: none"> <li>Number: 191,192,193,197,198</li> <li>Rating D3</li> </ul> <p>CKB has not developed a family violence policy.</p>	CKB should develop a family violence policy related to its licensed water services in accordance with the Water Services Code of Practice (Family Violence) 2020.	26 June 2023	No further action required



### 3.5 Audit controls and compliance summary

The findings of the operational audit are summarised in Table 10 with adequacy of control and compliance rating. The table includes all applicable compliance reporting items and are numbered according to the Water Compliance Reporting Manual, October 2021 and the July 2024 revision.

In accordance with the Audit Guidelines, an assessment of the performance of CKB was completed using the rating scale in Appendix B.1 and asset management system effectiveness using the rating scales in Appendix B.2.

Table 10 provides a summary of CKB's compliance rating against each licence obligation, and an adequacy of controls rating where the item has been found to be non-compliant.

N/P = No relevant activity was performed during the audit period and a controls rating is not required

N/R = Not rated - No relevant activity took place during the audit period; therefore it is not possible to assess compliance.

*Table 10: Audit performance summary*

Licence obligation ref no. (Refer to the Water Compliance Reporting Manual)	Licence obligation	Audit Priority applied [rated 1 (Highest) to 5 (Lowest)]	Controls Rating (Refer to the 4-point rating scale in Appendix B.1 for details)					Compliance Rating (Refer to the 4-point rating scale in Appendix B.1 for details)				
			A	B	C	D	N/P	1	2	3	4	N/R
2	Water Services Act Section 21(1)(b)	4					✓	✓				
3	Water Services Act Section 21(1)(c)	4					✓	✓				
4	Water Services Act Section 22	4					✓					✓
5	Water Services Act Section 23	4					✓	✓				
6 (2021)	Water Services Act Sections 24(1)(a) & 24(2)	3	✓					✓				
6 (2024)	Water Services Act Sections 24(1)(a)	3	✓					✓				
8	Water Services Act Section 24(1)(c)	4					✓	✓				
8A (2024)	Water Services Act Section 24(2)	3	✓					✓				
9	Water Services Act Section 25	4					✓	✓				
10	Water Services Act Section 26(3)	4					✓	✓				
13	Water Services Act Section 36	4					✓	✓				
15	Water Services Act Section 70(2)	4					✓	✓				



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Licence obligation ref no. (Refer to the Water Compliance Reporting Manual)	Licence obligation	Audit Priority applied [rated 1 (Highest) to 5 (Lowest)]	Controls Rating (Refer to the 4-point rating scale in Appendix B.1 for details)					Compliance Rating (Refer to the 4-point rating scale in Appendix B.1 for details)				
			A	B	C	D	N/P	1	2	3	4	N/R
16	Water Services Act Section 77(3)	4					✓	✓				
17	Water Services Act Sections 82(4) & (5)	4					✓	✓				
18	Water Services Act Section 84(2)	4					✓					✓
19	Water Services Act Section 87(2)	4					✓					✓
20	Water Services Act Section 90(7)	5					✓					✓
24	Water Services Act Section 98(3)	4					✓					✓
25	Water Services Act Section 106(2)	4					✓					✓
28	Water Services Act Section 119(2)	4					✓					✓
29	Water Services Act Section 122(2)	2		✓								✓
30	Water Services Act Section 125(2)	4					✓	✓				
31	Water Services Act Section 128(4)	4					✓					✓
32	Water Services Act Section 129(5)	4					✓	✓				
33	Water Services Act Section 139(3)	4					✓					✓
34	Water Services Act Section 141(1)	4					✓					✓
35	Water Services Act Sections 142	4					✓					✓
36	Water Services Act Sections 143(2)	4					✓					✓
37	Water Services Act Sections 143(3)	4					✓					✓
38	Water Services Act Sections 144(3)	4					✓					✓
39	Water Services Act Section 145(2)	4					✓					✓
40	Water Services Act Section 147(3)	4					✓					✓
41	Water Services Act Section 147(4)	4					✓					✓
42	Water Services Act Section 151(1)	2	✓					✓				



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Licence obligation ref no. (Refer to the Water Compliance Reporting Manual)	Licence obligation	Audit Priority applied [rated 1 (Highest) to 5 (Lowest)]	Controls Rating (Refer to the 4-point rating scale in Appendix B.1 for details)					Compliance Rating (Refer to the 4-point rating scale in Appendix B.1 for details)				
			A	B	C	D	N/P	1	2	3	4	N/R
43	Water Services Act Section 151(2)	4					✓	✓				
44	Water Services Act Section 152(3)	4					✓					✓
45	Water Services Act Section 153(3)	4					✓					✓
45A (2024)	Water Services Act Section 160(1)	4					✓					✓
46	Water Services Act Section 166(5)	4					✓					✓
47	Water Services Act Section 166(6)	4					✓					✓
48	Water Services Act Section 170	4					✓					✓
49	Water Services Act Section 173(4)	4					✓	✓				
50	Water Services Act Section 174(1)	4					✓	✓				
51	Water Services Act Section 174(3)	4					✓					✓
52	Water Services Act Section 175(2)	4					✓					✓
53	Water Services Act Section 175(5)	4					✓					✓
54	Water Services Act Section 176(1)	4					✓					✓
55	Water Services Act Section 176(3)	4					✓	✓				
56	Water Services Act Section 176(4)	4					✓					✓
57	Water Services Act Section 181	5					✓					✓
58	Water Services Act Section 186	4					✓					✓
59	Water Services Act Section 187(1) – (3)	4					✓					✓
60	Water Services Act Section 190(4)	4					✓					✓
61	Water Services Act Section 190(5)	4					✓					✓
62	Water Services Act Section 210(5)	4					✓					✓
63	Water Services Act Section 218(2)	5					✓					✓



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Licence obligation ref no. (Refer to the Water Compliance Reporting Manual)	Licence obligation	Audit Priority applied [rated 1 (Highest) to 5 (Lowest)]	Controls Rating (Refer to the 4-point rating scale in Appendix B.1 for details)					Compliance Rating (Refer to the 4-point rating scale in Appendix B.1 for details)					
			A	B	C	D	N/P	1	2	3	4	N/R	
64	Water Services Act Section 218(3)	4					✓						✓
66	Water Services Regulations 2013 Regulation 24(4)	4					✓						✓
67	Water Services Regulations 2013 Regulations 26(3)	4					✓						✓
68	Water Services Regulations 2013 Regulation 26(5)	4					✓						✓
69	Water Services Regulations 2013 Regulation 29(1)	4					✓						✓
74	Water Services Regulations 2013 Regulation 60(2)	4					✓						✓
75	Water Services Regulations 2013 Regulation 63	4					✓						✓
89	Water Services Regulations 2013 Regulation 85	4					✓						✓
92	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 8(1)-(3)	4					✓	✓					
94	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 10(2)	4					✓	✓					
99	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 12	4					✓	✓					
99A (2024)	Water Services Code of Conduct (Customer Service Standards) 2024 Clause 12(1)	4					✓	✓					
99B (2024)	Water Services Code of Conduct (Customer Service Standards) 2024 Clause 12(2)	4					✓	✓					
99C (2024)	Water Services Code of Conduct (Customer Service Standards) 2024 Clause 12(4)	4					✓	✓					



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Licence obligation ref no. (Refer to the Water Compliance Reporting Manual)	Licence obligation	Audit Priority applied [rated 1 (Highest) to 5 (Lowest)]	Controls Rating (Refer to the 4-point rating scale in Appendix B.1 for details)					Compliance Rating (Refer to the 4-point rating scale in Appendix B.1 for details)					
			A	B	C	D	N/P	1	2	3	4	N/R	
99D (2024)	Water Services Code of Conduct (Customer Service Standards) 2024 Clause 12(5)	4					✓	✓					
100	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 13(1)	4					✓	✓					
102A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 13(6)	4		✓					✓				
107	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 18(2)	4					✓	✓					
108	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 18(3)	3	✓						✓				
109 (2021)	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 18(4)	3	✓						✓				
109 (2024)	Water Services Code of Conduct (Customer Service Standards) 2024 Clause 18(4)	3	✓						✓				
110	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 18(5)	3	✓						✓				
111A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 19(2)	4					✓	✓					
112A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 19(3)	4					✓	✓					
112B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 19(4)	4					✓	✓					
112C (2021)	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 19(5)	4					✓	✓					



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Licence obligation ref no. (Refer to the Water Compliance Reporting Manual)	Licence obligation	Audit Priority applied [rated 1 (Highest) to 5 (Lowest)]	Controls Rating (Refer to the 4-point rating scale in Appendix B.1 for details)					Compliance Rating (Refer to the 4-point rating scale in Appendix B.1 for details)					
			A	B	C	D	N/P	1	2	3	4	N/R	
112C (2024)	Water Services Code of Conduct (Customer Service Standards) 2024 Clause 19(5)	4					✓	✓					
113	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 20(1) and 2024 Clause 21(1)	4		✓				✓					
113A (2024)	Water Services Code of Conduct (Customer Service Standards) 2024 Clause 21(2)	4					✓	✓					
113B (2024)	Water Services Code of Conduct (Customer Service Standards) 2024 Clause 21(3)	4					✓	✓					
114	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 20(2)	4					✓	✓					
115	Water Services Code of Conduct (Customer Service Standards) 2018 Clauses 20(3) & (6), and 2024 Clauses 22(2) & (4)	4					✓	✓					
116 (2021)	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 20(4)	1	✓					✓					
116 (2024)	Water Services Code of Conduct (Customer Service Standards) 2024 Clause 22(3)	1	✓					✓					
117 (2021)	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 20(5)	4					✓	✓					
117A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 21 and 2024 Clause 20(1)	4					✓	✓					
118	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 23 and 2024 Clause 24	4					✓	✓					



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Licence obligation ref no. (Refer to the Water Compliance Reporting Manual)	Licence obligation	Audit Priority applied [rated 1 (Highest) to 5 (Lowest)]	Controls Rating (Refer to the 4-point rating scale in Appendix B.1 for details)					Compliance Rating (Refer to the 4-point rating scale in Appendix B.1 for details)				
			A	B	C	D	N/P	1	2	3	4	N/R
119	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 24(1)	4					✓	✓				
120	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 24(2) and 2024 Clause 25(1)	4					✓	✓				
121 (2021)	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 25(1)	4					✓	✓				
121 (2024)	Water Services Code of Conduct (Customer Service Standards) 2024 Clause 26	4					✓	✓				
122	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 26(1) and 2024 Clause 27(1)	4					✓	✓				
123	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 27 and 2024 Clause 28	2	✓					✓				
123A (2024)	Water Services Code of Conduct (Customer Service Standards) 2024 Clause 29(1) and (2)	2	✓					✓				
124A (2021)	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 28(2)	4					✓	✓				
124B (2021)	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 28(3)	4					✓	✓				
124B (2024)	Water Services Code of Conduct (Customer Service Standards) 2024 Clause 30(1)	4					✓	✓				
124C (2021)	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 28(4)	4					✓	✓				



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Licence obligation ref no. (Refer to the Water Compliance Reporting Manual)	Licence obligation	Audit Priority applied [rated 1 (Highest) to 5 (Lowest)]	Controls Rating (Refer to the 4-point rating scale in Appendix B.1 for details)					Compliance Rating (Refer to the 4-point rating scale in Appendix B.1 for details)					
			A	B	C	D	N/P	1	2	3	4	N/R	
124D (2024)	Water Services Code of Conduct (Customer Service Standards) 2024 Clause 30(4)	2	✓					✓					
124E (2024)	Water Services Code of Conduct (Customer Service Standards) 2024 Clause 30(6)	2	✓					✓					
124F (2024)	Water Services Code of Conduct (Customer Service Standards) 2024 Clause 30(7)	2	✓					✓					
124G (2024)	Water Services Code of Conduct (Customer Service Standards) 2024 Clause 31(1)	2	✓					✓					
124H (2024)	Water Services Code of Conduct (Customer Service Standards) 2024 Clause 31(2)	2	✓					✓					
124I (2024)	Water Services Code of Conduct (Customer Service Standards) 2024 Clause 31(3)	2		✓				✓					
124J (2024)	Water Services Code of Conduct (Customer Service Standards) 2024 Clause 32(1) and (2)	2	✓					✓					
125	Water Services Code of Conduct (Customer Service Standards) 2018 Clauses 29(1) & (2)	4						✓	✓				
126A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(3)	4						✓	✓				
126B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(4)	4						✓	✓				
128	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(6) and 2024 Clause 32(6)	4						✓	✓				
129A (2021)	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(7)	4						✓	✓				



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			A	B	C	D	N/P	1	2	3	4	N/R
129B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(8) and 2024 Clause 32(7)	4					✓	✓				
129C (2021)	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(9)	4					✓	✓				
129C (2024)	Water Services Code of Conduct (Customer Service Standards) 2024 Clause 32(8)	4		✓				✓				
130A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(2) and 2024 Clause 33(2)	4					✓	✓				
130B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(3) and 2024 Clause 33(3)	4					✓	✓				
131A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(4)(a) and 2024 Clause 33(4)(a)	4					✓	✓				
131B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(4)(b) and 2024 Clause 33(4)(b)	4					✓	✓				
131C	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(4)(c) and 2024 Clause 33(4)(c)	4					✓	✓				
133	Water Services Code of Conduct (Customer Service Standards) 2018 Clauses 31(4) and (5), and 2024 Clauses 34(4) and (5)	4					✓	✓				
134 (2021)	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 33(1)(a)-©	4					✓	✓				



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Licence obligation ref no. (Refer to the Water Compliance Reporting Manual)	Licence obligation	Audit Priority applied [rated 1 (Highest) to 5 (Lowest)]	Controls Rating (Refer to the 4-point rating scale in Appendix B.1 for details)					Compliance Rating (Refer to the 4-point rating scale in Appendix B.1 for details)					
			A	B	C	D	N/P	1	2	3	4	N/R	
134 (2024)	Water Services Code of Conduct (Customer Service Standards) 2024 Clause 36(1)(a)-(c)	4					✓	✓					
134A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 33(1)(d)-(e), and 2024 Clause 36(1)(d)-(e)	4					✓						✓
144A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 43(1) and 2024 Clause 46(1)	4					✓						✓
144B	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 43(2) and 2024 Clause 46(2)	4					✓	✓					
144C	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 44(1) and 2024 Clause 47(1)	4					✓	✓					
144D	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 44(2) and 2024 Clause 47(2)	4					✓	✓					
144E	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 45 and 2024 Clause 48	4					✓	✓					
145	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(1) and 2024 Clause 49(1)	4					✓	✓					
146	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(2) and 2024 Clause 49(2)	1		✓					✓				
147	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(3) and 2024 Clause 49(3)	2	✓					✓					



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			A	B	C	D	N/P	1	2	3	4	N/R	
148A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(4) and 2024 Clause 49(4)	4	✓					✓					
149	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(5) and 2024 Clause 49(5)	4					✓	✓					
149A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 47 and 2024 Clause 50	4					✓						✓
150	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 48(1) and 2024 Clause 51(1)	4					✓						✓
152	Water Services Code of Conduct (Customer Service Standards) 2013 Clause 48(2) and 2024 Clause 51(2) and (3)	1	✓					✓					
153	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 49(1) and 2024 Clause 52(1)	4					✓	✓					
154	Water Services Code of Conduct (Customer Service Standards) 2013 Clause 49(2) and 2024 Clause 52(2)	4					✓	✓					
154A	Water Services Code of Conduct (Customer Service Standards) 2018 Clause 49(3) and 2024 Clause 52(4)	1	✓					✓					
155	Licence Condition Clause 4.2.1	4					✓	✓					
159	Licence Condition Clause 4.1.2	4					✓						✓
160	Licence Condition Clause 4.6.1	4					✓	✓					
162	Licence Condition Clause 5.3.4	4					✓	✓					



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			A	B	C	D	N/P	1	2	3	4	N/R	
163	Licence Condition Clauses 4.7.1(a), (b), (c)	4					✓						✓
165	Licence Condition Clause 4.8.1	1		✓					✓				
167	Licence Condition Clause 4.8.2	1	✓					✓					
168	Licence Condition Clauses 3.8.1 and 3.8.2	4					✓						✓
169	Licence Condition Clause 3.7.1	4					✓	✓					
171	Licence Condition Clause 5.1.3	3	✓										✓
172	Licence Condition Clause 5.1.7	4					✓	✓					
172A	Licence Condition Clause 6.1.1	4					✓						✓
172B	Licence Condition Clause 6.1.2	4					✓						✓
182	Licence Condition Clause 4.4.1(b)	4					✓						✓
184A	Licence Condition Clause 7.1.2	4					✓	✓					
185	Licence Condition Clause 7.1.4	4					✓	✓					
186	Licence Condition Clause 7.1.5	4					✓	✓					
187	Licence Condition Clause 7.1.6	1	✓					✓					
188	Licence Condition Clause 7.1.7	4					✓						✓
189	Licence Condition Clause 7.1.8	4					✓						✓
191	Water Services Code of Practice (Family Violence) 2020 Clause 5(1)	1			✓					✓			
192	Water Services Code of Practice (Family Violence) 2020 Clause 5(2)	1	✓					✓					
193	Water Services Code of Practice (Family Violence) 2020 Clause 6	1	✓					✓					



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Licence obligation ref no. (Refer to the Water Compliance Reporting Manual)	Licence obligation	Audit Priority applied [rated 1 (Highest) to 5 (Lowest)]	Controls Rating (Refer to the 4-point rating scale in Appendix B.1 for details)					Compliance Rating (Refer to the 4-point rating scale in Appendix B.1 for details)				
			A	B	C	D	N/P	1	2	3	4	N/R
194	Water Services Code of Practice (Family Violence) 2020 Clause 7	1	✓					✓				
195	Water Services Code of Practice (Family Violence) 2020 Clause 8(1)	1	✓					✓				
197	Water Services Code of Practice (Family Violence) 2020 Clause 9	1	✓					✓				
198	Water Services Code of Practice (Family Violence) 2020 Clause 10	1	✓					✓				



### 3.6 Detailed audit observations

Table 11: Operational audit observations

Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
Water Services Act 2012					
2	<p><i>Water Services Act Section 21(1)(b)</i> 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.</p>	4	<ul style="list-style-type: none"> <li>Section 1.3 of CKB's Wastewater Collection &amp; Treatment Service – Customer Service Charter – June 2020 states that “The City of Kalgoorlie-Boulder will use its best endeavours to provide a service to collect, treat and dispose of domestic sewage discharged from each customer’s property to the City’s sewer system. In addition, the City of Kalgoorlie-Boulder will provide other services on terms agreed between the customer and the City.”</li> <li>When requested by customers, CKB has provided services in accordance with its licence and within its operating area.</li> <li>CKB was not requested to provide water services authorised by WL4 to any other person (not covered by section 21(1)(a) of the Act) within the operating area of the licence during the audit period.</li> <li>CKB provided one example of sewage service not being provided to a residential customer citing that the connection would not be financially viable.</li> <li>CKB advised that schools within the operating area and planning to change to potable water services for grounds maintenance.</li> <li>The provision of a stand-pipe (tanker filling station) has been removed from service due to repeated misuse by customers.</li> </ul>	N/P	1



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### Operational audit

Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
3	<p><i>Water Services Act Section 21(1)(c)</i></p> <p>The licensee must provide, operate and maintain the water service works specified by the ERA in the licence for the purposes of section 11(3).</p>	4	<ul style="list-style-type: none"> <li>▪ CKB stated it has provided, operated and maintained the water service works as specified by the ERA in the licence during the Audit Period. Maintenance of the water service works has been undertaken by CKB employees and contractors during the Audit Period.</li> <li>▪ The provision, operation and maintenance of the water service works during the Audit Period were rated across 12 asset management system processes. Comprehensive detail of the Reviewer's assessment is included in Section 4.6 of this Report.</li> <li>▪ We inspected the licensee's sewage assets at the time of audit including the South Boulder Wastewater Treatment Plant, Throssell street pump Station, Androvich Way pump station.</li> <li>▪ We inspected the licensee's recycled water assets including Racecourse Dam and pump station, Swan Lake Dams and pump station and Piccadilly Twin Dams and pump station.</li> </ul>	N/P	1
4	<p><i>Water Services Act Section 22</i></p> <p>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.</p>	4	<ul style="list-style-type: none"> <li>▪ CKB does not provide any water services outside of the operating area.</li> <li>▪ This obligation is not able to be rated for the audit period.</li> </ul>	N/P	N/R
5	<p><i>Water Services Act Section 23</i></p> <p>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.</p>	4	<ul style="list-style-type: none"> <li>• CKB is the asset owner for the water services assets in its operating area that it is licensed to provide.</li> <li>• The licences with the ERA, DoH and DWER are also held in CKB's name.</li> </ul>	N/P	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
6 (2021)	<i>Water Services Act Sections 24(1)(a) &amp; 24(2)</i> The licensee must provide for an asset management system in respect of the licensee's water service works.	3	<ul style="list-style-type: none"> <li>CKB has an asset management system that is described in the 2023-2028 Asset Management Strategy which was adopted by Council in May 2023.</li> <li>The Asset Management Strategy covers all asset classes including water services assets.</li> <li>A comprehensive detail of the Reviewer's assessment of the asset management system is included in Section 4.6 of this Report.</li> </ul>	A	1
6 (2024)	<i>Water Services Act Sections 24(1)(a)</i> The licensee must provide for an asset management system in respect of the licensee's water service works.	3	<ul style="list-style-type: none"> <li>CKB has an asset management system that is described in the 2023-2028 Asset Management Strategy which was adopted by Council in May 2023.</li> <li>The Asset Management Strategy covers all asset classes including water services assets.</li> <li>A comprehensive detail of the Reviewer's assessment of the asset management system is included in Section 4.6 of this Report.</li> </ul>	A	1
8	<i>Water Services Act Section 24(1)(c)</i> 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	<ul style="list-style-type: none"> <li>An asset management system review was undertaken by Stantec and documented in a report dated 8 May 2023, which covered the period from 1 January 2021 to 31 December 2022.</li> <li>The next asset management system review (this review) covers the 24-month period from 1 January 2023 to 31 December 2024.</li> </ul>	N/P	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
8A (2024)	<p><i>Water Services Act Section 24(2)</i></p> <p>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.</p>	3	<ul style="list-style-type: none"> <li>• A series of performance measures along with associated targets are outlined in the Water Utility Services Plan (Doc ID: 3052380).</li> <li>• Performance data is monitored via the Water Services Monthly Reporting Excel spreadsheet.</li> <li>• We confirmed that Measures from the Water Utility Services Plan are included in the monthly reporting spreadsheet. For example: <ul style="list-style-type: none"> <li>– Blockages per 100km</li> <li>– Blockages per 1,000 connections</li> </ul> </li> <li>• The performance against these measures is reported in the quarterly Water Services Commercial Business Report (sample viewed Oct-Dec 2024)</li> </ul>	A	1
9	<p><i>Water Services Act Section 25</i></p> <p>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.</p>	4	<ul style="list-style-type: none"> <li>▪ The licensee is currently subject to operational audits at 24-month intervals.</li> <li>▪ The last operational audit was undertaken by Stantec and documented in a report dated 8 May 2023, which covered the period from 1 January 2021 to 31 December 2022.</li> <li>▪ The subsequent operational audit (this audit) covers the period from 1 January 2023 to 31 December 2024.</li> </ul>	N/P	1
10	<p><i>Water Services Act Section 26(3)</i></p> <p>The licensee must comply with each code of practice made by the Minister to the extent to which it applies to the licensee.</p>	4	<ul style="list-style-type: none"> <li>▪ CKB has a Compliance Register to ensure that it meets all the legislative obligations.</li> <li>▪ Applicable codes of practice are referenced in key documents such as the Water Services Asset Management Plan.</li> <li>▪ CKB staff interviewed during the audit are aware of the codes of practice and the corresponding obligations.</li> </ul>	N/P	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
13	<p><i>Water Services Act Section 36</i></p> <p>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.</p>	4	<ul style="list-style-type: none"> <li>The provision of a stand-pipe (tanker filling station) has been removed from service due to repeated misuse by customers. A site visit during the audit has confirmed that the asset has been left in a safe condition.</li> </ul>	N/P	1
15	<p><i>Water Services Act Section 70(2)</i></p> <p>The licensee must not supply water services to customers unless the licensee:</p> <ul style="list-style-type: none"> <li>is a member of the water services ombudsman scheme; and</li> <li>is bound by the scheme; and</li> <li>will comply with any decision or direction of the water services ombudsman under the scheme.</li> </ul>	4	<ul style="list-style-type: none"> <li>The licensee has agreed to be bound by and compliant with any decision or direction of the Western Australian Energy and Water Ombudsman (Ombudsman).</li> <li>CKB has stated no decisions or directions were given by the Ombudsman during the Audit Period.</li> <li>We examined a sample of tax invoice issued by the Energy and Water Ombudsman (WA) Ltd regarding the annual levy payable by the CKB for the 2023/24 years and details of the standing orders recorded in Altus.</li> <li>We also confirmed that CKB is listed as a water industry member on the Energy and Water Ombudsman website and 2023/24 annual report.</li> <li>We confirmed that no invoices have been received from the Ombudsman related to complaints against CKB lodged via the Ombudsman during the audit period.</li> </ul>	N/P	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
16	<p><i>Water Services Act Section 77(3)</i></p> <p>The licensee must take reasonable steps to minimise the extent or duration of any interruption of water services it is responsible for.</p>	4	<ul style="list-style-type: none"> <li>• CKB has appropriate asset management practices in place to minimise the extent or duration of any interruption of its water services. We discuss asset management practices further in the section 4.6 of this report.</li> <li>• CKB uses the services of a contracted plumber who, in terms of a contractual agreement, is given 60 minutes to respond to interruptions notified by the licensee. During business hours CKB would be likely to triage the incident to assess and confirm any interruption to service.</li> <li>• CKB maintains records of sewerage blockages which include the time that the call was received from the customer and entered into RAMM, the time onsite, time that any blockage was cleared and completed time for when they left the site, the time on site and the duration of any interruption to service.</li> <li>• CKB undertakes routine jetting of sewage gravity pipes to reduce the likelihood of interruptions caused by blockages</li> <li>• We consider that CKB took reasonable steps to minimise the extent or duration of water services interruptions.</li> </ul>	N/P	1



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### Operational audit

Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
17	<p><i>Water Services Act Sections 82(4) &amp; (5)</i></p> <p>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 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.</p>	4	<ul style="list-style-type: none"> <li>CKB has a turnaround requirement for building applications and permits which is as follows: <ul style="list-style-type: none"> <li>– Uncertified within 25 days</li> <li>– Certified within 10 days</li> </ul> </li> <li>Details of CKB's building permit application processes and the application and permit forms are provided on the CKB website.</li> <li>Typically for wastewater connections, the property owner/developer would engage a plumber/builder to install the infrastructure and CKB would undertake the cut-in to the main to ensure the quality of the work, with the developer paying for this work.</li> <li>Plans received from applicants are recorded by CKB in a database.</li> <li>CKB has a Water Service Building and Planning Data spreadsheet that it uses to record the details of each application and the review details that Water Services has provided back to developer related to protecting the City's assets</li> <li>Any written directions considered necessary to ensure the safety and efficacy of water services are appropriately addressed to enable compliance with CKB's turnaround policy during the Audit Period.</li> </ul>	N/P	1
18	<p><i>Water Services Act Section 84(2)</i></p> <p>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.</p>	4	<ul style="list-style-type: none"> <li>CKB has stated no notices were given under section 83(3)(a) of the Act during the Audit Period. Therefore, section 84(2) of the Act in respect of giving 21 days' notice of the CKB's intention to commence works was not applicable during the audit period.</li> </ul>	N/P	N/R



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
19	<i>Water Services Act Section 87(2)</i> 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	<ul style="list-style-type: none"> <li>CKB has stated it has no knowledge of any application(s) made to the State Administrative Tribunal during the Audit Period. Therefore, this obligation has not been rated.</li> </ul>	N/P	N/R
20	<i>Water Services Act Section 90(7)</i> 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.	5	<ul style="list-style-type: none"> <li>CKB has not issued any compliance notices under the Act during the audit period related to construction in the vicinity of water service works. Therefore, this obligation has not been rated.</li> </ul>	N/P	N/R
24	<i>Water Services Act Section 98(3)</i> If required to by the Minister, the licensee must connect a wastewater inlet on land to the sewerage works of the licensee.	4	<ul style="list-style-type: none"> <li>CKB has not received a direction from the Minister to connect a wastewater inlet on land to its sewerage works during the audit period. Therefore, this obligation has not been rated.</li> </ul>	N/P	N/R
25	<i>Water Services Act Section 106(2)</i> The licensee must include the information specified in a compliance notice given in relation to failure to maintain fittings, fixtures and pipes.	4	<ul style="list-style-type: none"> <li>We confirmed that CKB did not issue any compliance notices concerning failure to maintain fittings, fixtures and pipes during the audit period.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	N/P	N/R
28	<i>Water Services Act Section 119(2)</i> The licensee must include the information specified in a compliance notice given in relation to the matters set out in section 119(1).	4	<ul style="list-style-type: none"> <li>We confirmed that CKB has not issued any compliance notices in relation to the matters set out in section 119(1) of the Act during the audit period.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	N/P	N/R



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
29	<p><i>Water Services Act Section 122(2)</i></p> <p>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.</p>	2	<ul style="list-style-type: none"> <li>CKB are not aware of any application made with the State Administrative Tribunal under section 122(1) of the Act, during the Audit Period. Therefore, this obligation has not been rated.</li> <li>CKB advise that they follow internal communication protocols to ensure that this does not occur.</li> <li>CKB has not furnished details of a formal procedure in this regard.</li> </ul>	B	N/R
30	<p><i>Water Services Act Section 125(2)</i></p> <p>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 Strata Titles Act 1985.</p>	4	<ul style="list-style-type: none"> <li>Sewerage service customers are charged based on the rateable value of their property.</li> <li>During the Audit Period, CKB apportioned fees, if appropriate, with reference to the gross rental value (GRV) of the property.</li> <li>All recycled non-potable water customers are individually metered and receive individual bills.</li> </ul>	N/P	1
31	<p><i>Water Services Act Section 128(4)</i></p> <p>If the licensee has previously lodged a memorial with the Registrar, the licensee must lodge a withdrawal of memorial with Registrar along with the prescribed fee (if any) if the charge or contribution has been paid.</p>	4	<ul style="list-style-type: none"> <li>CKB has stated no circumstances necessitated the withdrawal of a memorial during the Audit Period. Therefore, this obligation has not been rated.</li> </ul>	N/P	N/R



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
32	<p><i>Water Services Act Section 129(5)</i></p> <p>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.</p>	4	<ul style="list-style-type: none"> <li>The Water Services SOP Manual states that the officer attending a blockage must "Provide 48 hours' notice in writing of any routine inspections or maintenance works to residents' affected by these works prior to them being undertaken."</li> <li>CKB's contract plumbers conduct letter drops informing customers of the proposed entry.</li> <li>CKB ensures that letters requiring action to prevent sewer blockages are hand-delivered to homeowners. These letters are documented in the CiA system, and the corresponding document ID is noted on each letter delivered.</li> <li>Typically, when access is required, CKB ask the customer to inspect and arrange the best time. Therefore, any entry is based on negotiation with occupier. CKB's SOP includes that verbal agreement is required before entry to customer property.</li> <li>CKB advised that where required, at least 48 hours' notice of property entry was given to the occupier of a place unless the occupier agreed otherwise.</li> </ul>	N/P	1
33	<p><i>Water Services Act Section 139(3)</i></p> <p>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.</p>	4	<ul style="list-style-type: none"> <li>CKB advised that it did not remove or erect a fence or gate when exercising a works power conferred by the Act during the audit period.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	N/P	N/R
34	<p><i>Water Services Act Section 141(1)</i></p> <p>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.</p>	4	<ul style="list-style-type: none"> <li>CKB has not carried out any road work that involved breaking the surface of the road or which would cause major obstruction to road traffic where it has required to provide at least 48 hours' notice to the public authority managing the road. Works powers have only been exercised within roads under CKB's control and/or management. As a result, we have not rated this obligation.</li> </ul>	N/P	N/R



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
35	<i>Water Services Act Sections 142</i> 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	<ul style="list-style-type: none"> <li>▪ CKB stated that there are no major works (as defined in section 133) proposed during the audit period.</li> <li>▪ The Kalgoorlie “Water Bank” project is an example of a major undertaking by the licensee but does not meet the definition of major works according to the Act.</li> <li>▪ We note that provision is made within the Water Bank project for future integration of planned surface water dams, which are excluded from the project. These dams, once proposed, would then qualify as Major Works.</li> <li>▪ This obligation has not been rated due to the absence of any Major Works during the audit period.</li> </ul>	N/P	N/R
36	<i>Water Services Act Sections 143(2)</i> Before the licensee submits a proposal for the provision of major works to the Minister, the licensee must prepare, publish and make available plans and details of those major works as specified.	4	<ul style="list-style-type: none"> <li>• Refer observation for obligation 35</li> </ul>	N/P	N/R
37	<i>Water Services Act Sections 143(3)</i> The licensee must, within 5 days of publishing the plans and details on the licensee’s website, give notice setting out the matters prescribed in section 143(4) to the persons and agencies specified.	4	<ul style="list-style-type: none"> <li>• Refer observation for obligation 35</li> </ul>	N/P	N/R
38	<i>Water Services Act Sections 144(3)</i> The licensee must have regard to an objection or submission lodged within the relevant period.	4	<ul style="list-style-type: none"> <li>• Refer observation for obligation 35</li> </ul>	N/P	N/R
39	<i>Water Services Act Section 145(2)</i> 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	<ul style="list-style-type: none"> <li>• Refer observation for obligation 35</li> </ul>	N/P	N/R



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
40	<i>Water Services Act Section 147(3)</i> 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	<ul style="list-style-type: none"> <li>Refer observation for obligation 35</li> </ul>	N/P	N/R
41	<i>Water Services Act Section 147(4)</i> 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	<ul style="list-style-type: none"> <li>Refer observation for obligation 35</li> </ul>	N/P	N/R
42	<i>Water Services Act Section 151(1)</i> 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.	2	<ul style="list-style-type: none"> <li>The "Water Bank" project qualifies as general works as defined by Section 134 of the Act.</li> <li>CKB provides information regarding general works on the City's website.</li> <li>The project design does not take up any private land so has no impact on customers.</li> <li>The information and plans are available for perusal online via the City's Yoursay page, through the City's Agenda and minutes of Council meeting or personally at the City of Kalgoorlie Boulder offices.</li> </ul>	A	1
43	<i>Water Services Act Section 151(2)</i> 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	<ul style="list-style-type: none"> <li>CKB provides notices of general works via the Public Notices page on their website.</li> <li>Project information is also provided on the 'Have Your Say' portal allowing interested parties to subscribe and get regular updates on projects of interest.</li> <li>Your Say subscribers can select categories of interest.</li> </ul>	N/P	1
44	<i>Water Services Act Section 152(3)</i> The licensee must have regard to an objection or submission lodged by the date specified in the notice given under section 151(2).	4	<ul style="list-style-type: none"> <li>Refer to our observations under Obligation 43.</li> <li>Stantec are not aware of any objections to the Water Bank project.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	N/P	N/R



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
45	<i>Water Services Act Section 153(3)</i> 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	<ul style="list-style-type: none"> <li>Refer to our observations under Obligation 43.</li> <li>Stantec are not aware of any alterations to the Water Bank project.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	N/P	N/R
45A (2024)	<i>Water Services Act Section 160(1)</i> A licensee, when providing water service works, may: <ul style="list-style-type: none"> <li>deviate from any plan or description of, or proposal for, those works and</li> <li>make any modification to the plan, description or proposal that is require by the circumstance,</li> </ul> if the deviation or modification is agreed to in writing by the owner and occupier of the affected land.	4	<ul style="list-style-type: none"> <li>Stantec are not aware of any deviations or modifications to planned works since the effective date of the reporting manual update (1 July 2024).</li> <li>Therefore, we have not rated this obligation.</li> </ul>	N/P	N/R
46	<i>Water Services Act Section 166(5)</i> 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	<ul style="list-style-type: none"> <li>CKB has not been required to take an interest in land under the Act during the audit period. Therefore, this clause is not able to be rated.</li> </ul>	N/P	N/R
47	<i>Water Services Act Section 166(6)</i> Any costs incurred in taking an interest in land are to be paid by the licensee.	4	<ul style="list-style-type: none"> <li>CKB has not been required to take an interest in land under the Act during the audit period. Therefore, this clause is not able to be rated.</li> </ul>	N/P	N/R
48	<i>Water Services Act Section 170</i> 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 Planning and Development Act 2005, unless the Minister permits the licensee to do so.	4	<ul style="list-style-type: none"> <li>CKB has not been required to sell an interest in land under the Act during the audit period. Therefore, this clause is not able to be rated.</li> </ul>	N/P	N/R
49	<i>Water Services Act Section 173(4)</i> 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	<ul style="list-style-type: none"> <li>As noted in our observations under obligation 32, CKB provides 48 hours' notice to occupants in respect of proposed entry for purposes of routine inspections or maintenance of sewerage services when required.</li> </ul>	N/P	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
50	<i>Water Services Act Section 174(1)</i> Notice of a proposed entry by the licensee must be in writing and must set out the purpose of the entry, including (if applicable) any work proposed to be carried out.	4	<ul style="list-style-type: none"> <li>CKB ensures that letters are hand-delivered to homeowners. These letters are documented in the CiA system, and the corresponding document ID is noted on each letter delivered.</li> <li>Typically, when access is required, CKB ask the customer to inspect and arrange the best time. Therefore, any entry is based on negotiation with occupier. CKB's SOP includes that verbal agreement is required before entry to customer property.</li> <li>..</li> </ul>	N/P	1
51	<i>Water Services Act Section 174(3)</i> 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	<ul style="list-style-type: none"> <li>Refer our response for obligation 50</li> </ul>	N/P	N/R
52	<i>Water Services Act Section 175(2)</i> If an occupier is present when the licensee proposes to enter a dwelling, the licensee must perform the prescribed actions before entering the premises.	4	<ul style="list-style-type: none"> <li>CKB has not made any entries into a customer's dwelling for purposes related to the licenced water services during the audit period. Therefore, this obligation has not been rated.</li> </ul>	N/P	N/R
53	<i>Water Services Act Section 175(5)</i> If the licensee enters a dwelling that is unoccupied, the licensee must leave a notice, which includes the prescribed information, or a copy of the warrant (as applicable) in a prominent position in the dwelling before leaving the dwelling.	4	<ul style="list-style-type: none"> <li>CKB has not made any entries into a customer's dwelling for purposes related to the licenced water services during the audit period. Therefore, this obligation has not been rated.</li> </ul>	N/P	N/R
54	<i>Water Services Act Section 176(1)</i> 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	<ul style="list-style-type: none"> <li>CKB was not able to recall any incidents from the audit period where the owner or occupier has refused or withdrawn their consent and CKB's staff (or contractors) have been required to leave the premises as soon as practicable after being notified. Therefore, this obligation has not been rated.</li> </ul>	N/P	N/R



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
55	<i>Water Services Act Section 176(3)</i> The licensee must produce their certificate of authority if asked to do so, and must not perform, or continue to perform, a function under the Act if they are not able to do so.	4	<ul style="list-style-type: none"> <li>▪ CKB's staff are required to comply with its Code of Conduct in relation to communicating and dealing with members of the public.</li> <li>▪ CKB's requirements are in accordance with the Act and staff are required to produce their certificate of authority if asked to do so.</li> <li>▪ CKB does not recall any occasions where staff were required to produce their certificate of authority and did not perform or continue to perform a function under the Act as they were not able to do so.</li> </ul>	N/P	1
56	<i>Water Services Act Section 176(4)</i> 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	<ul style="list-style-type: none"> <li>• CKB has not experienced any occasions during the audit period where staff have been requested to produce evidence of authority for that entry by the owner or occupier and not been able to provide the evidence. Therefore, this obligation has not been rated.</li> </ul>	N/P	N/R
57	<i>Water Services Act Section 181</i> 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.	5	<ul style="list-style-type: none"> <li>• As far as is practicable, CKB and its contractors, comply with any reasonable requests from the owner or occupier.</li> <li>• The Water Services Customer Services Charter explains the rights of customers.</li> </ul>	N/P	N/R
58	<i>Water Services Act Section 186</i> If the licensee applies for a warrant, the application must contain the prescribed information.	4	<ul style="list-style-type: none"> <li>• CKB advised that it has not applied for a warrant within the audit period. Therefore, this obligation has not been rated.</li> </ul>	N/P	N/R
59	<i>Water Services Act Section 187(1) – (3)</i> 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	<ul style="list-style-type: none"> <li>• CKB advised that it has not applied for a warrant within the audit period. Therefore, this obligation has not been rated.</li> </ul>	N/P	N/R



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
60	<i>Water Services Act Section 190(4)</i> 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	<ul style="list-style-type: none"> <li>CKB advised that it has not applied for a warrant within the audit period. Therefore, this obligation has not been rated.</li> </ul>	N/P	N/R
61	<i>Water Services Act Section 190(5)</i> On completing the execution of a warrant the licensee must record the prescribed information on that warrant.	4	<ul style="list-style-type: none"> <li>CKB advised that it has not applied for a warrant within the audit period. Therefore, this obligation has not been rated.</li> </ul>	N/P	N/R
62	<i>Water Services Act Section 210(5)</i> 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 prescribed information.	4	<ul style="list-style-type: none"> <li>CKB has not designated any person as an inspector or compliance officer during the audit period.</li> <li>As a result, no certificates of authority have been issued. Therefore, this obligation has not been rated.</li> </ul>	N/P	N/R
63	<i>Water Services Act Section 218(2)</i> 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.	5	<ul style="list-style-type: none"> <li>CKB has not exercised a works power of power of entry under this Act during the audit period. Therefore, this obligation has not been rated.</li> <li>No complaints regarding the CKB's actions to deliver the water service have been received during the audit period.</li> </ul>	N/P	N/R
64	<i>Water Services Act Section 218(3)</i> 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	<ul style="list-style-type: none"> <li>CKB has not exercised a works power of power of entry under this Act during the audit period. Therefore, this obligation has not been rated.</li> <li>No complaints regarding the CKB's actions to deliver the water service have been received during the audit period.</li> </ul>	N/P	N/R
<b>Water Services Regulations 2013</b>					
66	<i>Water Services Regulations 2013 Regulation 24(4)</i> If the licensee gives a compliance notice to a person in respect of access to meters, the notice must specify the specified information.	4	<ul style="list-style-type: none"> <li>CKB did not give a compliance notice to a person in respect of access to meters.</li> <li>All of CKB's recycled water customers are non-residential customers and the meters are readily accessible.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	N/P	N/R



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
67	<i>Water Services Regulations 2013 Regulations 26(3)</i> If the owner or occupier requests the licensee to test a meter and pays the charge (if any) for testing that type of meter, the licensee must test the meter in accordance with a procedure approved by the CEO for the purpose of this regulation.	4	<ul style="list-style-type: none"> <li>CKB was not requested to test a meter by an owner or occupier during the audit period. Therefore, this obligation has not been rated.</li> </ul>	N/P	N/R
68	<i>Water Services Regulations 2013 Regulation 26(5)</i> If a meter test finds that the meter is outside the prescribed tolerance applicable, the licensee must take the specified actions, bear the costs of testing and refund or credit any charges paid under regulation 26(3).	4	<ul style="list-style-type: none"> <li>CKB was not requested to test a meter by an owner or occupier during the audit period. Therefore, this obligation has not been rated.</li> </ul>	N/P	N/R
69	<i>Water Services Regulations 2013 Regulation 29(1)</i> 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	<ul style="list-style-type: none"> <li>CKB collects headwork contributions related to new developments and upgrades of commercial premises from developers prior to approving the development to meet CKB's conditions.</li> <li>However, CKB advised that no requests to defer the payment of the contribution were received during the Audit Period. Therefore, this obligation has not been rated.</li> </ul>	N/P	N/R
74	<i>Water Services Regulations 2013 Regulation 60(2)</i> 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	<ul style="list-style-type: none"> <li>CKB has not exercised a works power in a road during the audit period. Works powers have only been exercised within roads under CKB's control and/or management. As a result, we have not rated this obligation.</li> </ul>	N/P	N/R



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
75	<i>Water Services Regulations 2013 Regulation 63</i> 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	<ul style="list-style-type: none"> <li>CKB, as a local authority, is also the roads owner and manager. The exception of relevance is for the State controlled roads that coincide with the sewerage network.</li> <li>CKB is aware of its obligations to reinstate and make good roads following works.</li> <li>No road surfaces were required to be broken up and reinstated during the audit period in relation to the provision of the licenced water services. Therefore, this obligation has not been rated.</li> </ul>	N/P	N/R
89	<i>Water Services Regulations 2013 Regulation 85</i> 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	<ul style="list-style-type: none"> <li>CKB confirmed that it has not issued a compliance notice in relation to failure to maintain fittings, fixtures and pipes during the audit period.</li> <li>Therefore, this obligation has not been rated.</li> </ul>	N/P	N/R
Water Services Code of Conduct (Customer Services Standards) 2018 and 2024					
92	<i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 8(1)-(3)</i> The licensee must have written information for customers about the prescribed matters regarding connections and the information must be publicly available. (Note: the information required by clause 8(2)(a) applies to the Water Corporation, Bunbury Water Corporation and Busselton Water Corporation only and the information required by clause 8(2)(g) applies only to licensees that supply potable water).	4	<ul style="list-style-type: none"> <li>CKB's Water Service Charter provides the required written information for customers</li> <li>The Customer Service Charter is available to be viewed or downloaded from CKB's website. CKB provides hard copies on request.</li> <li>Contact details are also provided on the website for customers requiring more information regarding connections.</li> </ul>	N/P	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
94	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 10(2)</i></p> <p>If the licensee charges a fixed charge, the licensee must issue a bill for a fixed charge to each customer at least once in every 12-month period.</p>	4	<ul style="list-style-type: none"> <li>CKB's sewerage customers receive a fixed charge for their sewerage service include in their rates notice. CKB's rates notices are issued every year in August.</li> <li>We reviewed a sample of residential and non-residential rate notices/tax invoices issued during the Audit Period. We confirmed that CKB issues bills for sewerage charges to customers on an annual basis.</li> </ul>	N/P	1
99	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 and 2024 Clause 12</i></p> <p>The licensee must send a bill to the address of the place where the water service is provided or, if the customer nominates another address, to the nominated address.</p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 12(3)</i></p> <p>A bill must be sent to the address of the place where the water service is provided or, to another address nominated by the customer.</p>	4	<ul style="list-style-type: none"> <li>Section 2(f) of CKB's Water Services Customer Service Charter sets out the basis of its "Charges and Accounts" information in accordance with the requirements of Clause 12 of the <i>Water Services Code of Conduct (Customer Service Standards) 2018</i>.</li> <li>CKB sends bills to the address nominated by the customer. This does not need to be the location at which the water service is provided.</li> <li>A sample of residential and non-residential rates notices were reviewed during the audit to confirm that they included the appropriate address details.</li> </ul>	N/P	1
99A (2024)	<p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 12(1)</i></p> <p>A licensee must allow a customer to choose to receive bills by post or email.</p>	4	<ul style="list-style-type: none"> <li>Customers can submit a Change to Details Request form and elect to receive rates notices by post or electronically via email.</li> <li>A sample of customer account details were viewed to confirm this.</li> </ul>	N/P	1
99B (2024)	<p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 12(2)</i></p> <p>A licensee must inform the customer of any charge for sending a bill when offering the choice under subclause 12(1).</p>	4	<ul style="list-style-type: none"> <li>CKB confirmed that it does not charge for sending rates notices to customers via post or email.</li> </ul>	N/P	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
99C (2024)	<i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 12(4)</i> A bill sent by email must be sent to an email address provided by the customer.	4	<ul style="list-style-type: none"> <li>▪ Rates notices are sent to the email address provided by the customer on the Change to Details Request form.</li> <li>▪ Terms and conditions for receiving rates electronically are provided on the Change to Details Request form.</li> <li>▪ If CKB receives an electronic “delivery failure” notification from the customer’s nominated email address, the email delivery service will be cancelled, and a paper copy of a rates notice will be posted to the last advised postal address</li> </ul>	N/P	1
99D (2024)	<i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 12(5)</i> A licensee must not charge for sending a bill when any one of the specified situations apply to the customer.	4	<ul style="list-style-type: none"> <li>▪ Refer our observation for obligation 99B</li> </ul>	N/P	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
100	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 13(1)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 13(2)</i></p> <p>Each bill must contain the prescribed information.</p>	4	<ul style="list-style-type: none"> <li>• We reviewed a sample rates notices issued by CKB during the audit period. We confirmed that the invoices contain all the prescribed information, namely:               <ul style="list-style-type: none"> <li>– the customer’s name</li> <li>– the account number</li> <li>– the address of the place in respect of which the water service is provided</li> <li>– any other address nominated by the customer for sending of bills</li> <li>– the day on which the bill is issued</li> <li>– the charges payable</li> <li>– the water service for which the charge is payable</li> <li>– the date when payment is due</li> <li>– the nature and amount of any applicable concession</li> <li>– the amount of interest or fees charged for late payment of outstanding amounts</li> <li>– the amount of any arrears or credit standing to the customer’s name</li> <li>– the options for payment that are available to the customer</li> <li>– a statement advising the customer that interest or fees may be charged for late payment of the bill</li> <li>– a statement advising the customer that the licensee can be contacted for assistance if the customer is experiencing problems paying the bill.</li> </ul> </li> </ul>	N/P	1



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<p>102A</p>	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 13(6)</i>  <i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 13(5)</i>                  Each bill must contain the prescribed information.</p>	<p>4</p>	<ul style="list-style-type: none"> <li>• We reviewed CKB’s residential and non-residential rate notice templates. We confirmed that the invoices included the following prescribed information included in clause 13(5) of the 2024 Code of Conduct, namely:                         <ul style="list-style-type: none"> <li>– the licensee’s website address</li> <li>– a telephone number for account, payment and general enquiries</li> <li>– a telephone number for complaints</li> <li>– a Freecall telephone number for the office of the water services ombudsman</li> <li>– the telephone number of the 24-hour information line provided in accordance with clause 48</li> <li>– contact details for account, payment and general enquiries for use by customers with hearing or speech impairment</li> <li>– the telephone number for interpreter services together with words “Interpreter Services”</li> </ul> </li> <li>• The following details are not contained on each rates notice:                         <ul style="list-style-type: none"> <li>– a statement that the website contains information about complaints and review. Information about making a complaint is provided, but no reference to the website.</li> <li>– a statement that the bill can be reviewed in accordance with the licensee’s review procedure.</li> <li>– the National Interpreter Symbol</li> </ul> </li> <li>• We conclude that the rates notice does not include all the prescribed information.</li> </ul> <p><b>Recommendation A1/2024</b></p> <ul style="list-style-type: none"> <li>• Update the rates notice to include the missing prescribed information. This may be achieved by referring customers to the Water Services Customer Service Charter (bill review and complaints process). The National Interpreter Symbol also needs to be included.</li> </ul>	<p>B</p>	<p>2</p>
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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
107	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 and 2024 Clause 18(2)</i></p> <p>The licensee cannot recover an undercharged amount from a customer unless it is for water services provided in the 12-month period ending on the day on which the licensee informed the customer of the undercharging.</p>	4	<ul style="list-style-type: none"> <li>• CKB's sewerage customers receive a fixed charge for their sewerage service included in their annual rates notice.</li> <li>• The sewer service charge is calculated according to the Gross Rental Value (GRV) for the property.</li> <li>• CKB receives a fortnightly report from Landgate with adjustments to GRV due to improvements to the property.</li> <li>• Increases of the GRV can result in an increase in sewer service charge.</li> <li>• CKB will issue an amended rates notice within one month of the change in GRV.</li> <li>• The Water Services Customer Service Charter informs customers that "<i>The City may recover from a customer amounts which may have been undercharged on an account. Amounts to be recovered may only be for services provided within the 12-month period ending on the day of which the City has informed the customer of the undercharged amounts. No late payment fees or interest charges will be applicable for undercharged amounts.</i>"</li> </ul>	N/P	1
108	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 18(3)</i></p> <p>An undercharged amount must be the subject of, and explained in, a special bill or a separate item in the next bill.</p>	3	<ul style="list-style-type: none"> <li>• We observed the Landgate report and selected a property with an increased GRV.</li> <li>• The customer associated with the property was located in the rating system (Synergy) and the corresponding increase in service charge was viewed</li> <li>• CKB issued a notice to the customer along with the revised rate notice to explain the reason for the increase.</li> </ul>	A	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
109 (2021)	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 18(4)</i></p> <p>The licensee must not charge interest or late payment fees on an undercharged amount.</p>	3	<ul style="list-style-type: none"> <li>The Water Services Customer Service Charter informs customers that “<i>The City may recover from a customer amounts which may have been undercharged on an account. Amounts to be recovered may only be for services provided within the 12-month period ending on the day of which the City has informed the customer of the undercharged amounts. No late payment fees or interest charges will be applicable for undercharged amounts.</i>”</li> <li>A revised rates notice is issued for the adjustment in sewer charges with a due date of 42 days from date of issue.</li> <li>Late payment fees will apply if the notice is not paid by the due date</li> </ul>	A	1
109 (2024)	<p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 18(4)</i></p> <p>Subject to subclauses 18(6), (7), (8) or (9), the licensee must not charge interest or late payment fees on an undercharged amount</p>	3	<ul style="list-style-type: none"> <li>Refer observation for obligation 109 (2021)</li> </ul>	A	1
110	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 18(5)</i></p> <p>The licensee must allow a customer to pay an undercharged amount by way of a repayment plan that has effect for the duration of the shorter of the prescribed periods starting on the day that the bill in clause 18(3) is issued.</p>	3	<ul style="list-style-type: none"> <li>CKB’s Water Services Financial Hardship Policy provides customers with the ability to enter into a payment plan in the event of financial hardship.</li> </ul>	A	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
111A	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 19(2)</i></p> <p>The licensee must, within 15 business days of becoming aware of an overcharge, credit the overcharged amount to the customer's account or send the customer a notice informing the customer of the overcharging and recommending options for how the overcharged amount may be refunded or credited to the customer's account.</p>	4	<ul style="list-style-type: none"> <li>▪ CKB's sewerage customers receive a fixed charge for their sewerage service included in their annual rates notice.</li> <li>▪ The sewer service charge is calculated according to the Gross Rental Value (GRV) for the property.</li> <li>▪ CKB receives a fortnightly report from Landgate with adjustments to GRV due to changes to the building on the property.</li> <li>▪ Decreases of the GRV can result in a decrease in sewer service charge. Any overcharge is then credited immediately to the customer's account. Therefore, CKB complies with the 15 day requirement.</li> <li>▪ The Water Services Customer Service Charter informs customers that <i>"If an error is made resulting in the customer paying more than the correct amount, the excess amount shall be held in credit for a future charge, or refunded, at the discretion of the customer. Notification will be sent to the customer informing the amount overcharged and options for refund or credit into a nominated account by the customer within 15 business days of receipt of response from the customer"</i>.</li> </ul>	N/P	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
112A	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 19(3)</i></p> <p>If the licensee sends the customer an overcharging notice and receives instructions from the customer about the refunding or crediting of the overcharged amount, the licensee must refund the overcharged amount, or credit the overcharged amount to the customer's account within 15 business days of the licensee receiving the instructions.</p>	4	<ul style="list-style-type: none"> <li>▪ We observed the Landgate report and selected a property with a decreased GRV (due to building demolition).</li> <li>▪ The customer associated with the property was located in the rating system (Synergy) and the corresponding decrease in service charge was viewed.</li> <li>▪ CKB issued a notice to the customer along with the revised rate notice to explain the reason for the decrease.</li> <li>▪ CKB utilises a third-party platform called EFTSure to manage customer payments.</li> <li>▪ Once the customer has provided their banking details via EFTSure, CKB will transfer the funds in the fortnightly payment run. The fortnightly run is performed once every 10 business days (one fortnight)</li> <li>▪ Therefore the 15 day obligation is met.</li> </ul>	N/P	1
112B	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 19(4)</i></p> <p>If instructions from the customer about the refunding or crediting of the overcharged amount have not been received by the licensee at the end of the period of 10 business days starting on the day an overcharging notice is sent, the licensee must credit the overcharged amount to the customer's account before the end of the period of the next 15 business days.</p>	4	<ul style="list-style-type: none"> <li>• The overcharge is credited to the customer's account by default as soon as the overcharge is found.</li> </ul>	N/P	1
112C (2021)	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 19(5)</i></p> <p>The licensee must notify the customer immediately after crediting the overcharged amount to the customer's account under subclause (2)(a), (3) or (4).</p>	4	<ul style="list-style-type: none"> <li>• Notice of the credited amount is included in the notice provided to the customer with the revised rates notice.</li> </ul>	N/P	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
112C (2024)	<p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 19(5)</i></p> <p>The licensee must notify the customer immediately after crediting the overcharged amount to the customer's account under clause 19.</p>	4	<ul style="list-style-type: none"> <li>Refer to our observation for obligation 112C (2021).</li> </ul>	N/P	1
113	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 20(1)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 21(1)</i></p> <p>The licensee must review a bill on the customer's request.</p>	4	<ul style="list-style-type: none"> <li>Under Clause 4(2)(a), CKB's non-potable water supply is not covered by the Water Services Code of Conduct (Customer Service Standards) 2024.</li> <li>CKB reviews bills when requested to by customers as per their procedure manual, which makes reference to Clause 20 of the 2018 Code.</li> <li>Bill reviews are typically performed in person at CKB's offices at the time the request is made.</li> <li>Review requests made by email or telephone follow the same procedure.</li> <li>CKB advised that a small number of requests for review of bills have been received during the audit period although no records are kept to confirm the process or the outcomes. These requests are typically for the Council's overall rates notices as opposed to be specifically related to the water service charges.</li> <li>Whilst CKB are compliant, the procedure manual still references the old version of the Code.</li> </ul>	B	1
113A (2024)	<p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 21(2)</i></p> <p>The licensee must inform the customer of the outcome of a review of the customer's bill as soon as practicable or otherwise less than 20 business days from the day the customer's request for review was received.</p>	4	<ul style="list-style-type: none"> <li>Refer to our observation for obligation 113</li> </ul>	N/P	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
113B (2024)	<p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 21(3)</i></p> <p>If the licensee does not complete a review before the end of the 20 business days, the licensee must notify the customer of the status of the review as soon as practicable after the end of that period.</p>	4	<ul style="list-style-type: none"> <li>Refer to our observation for obligation 113</li> </ul>	N/P	1
114	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 20(2)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 22(1)</i></p> <p>The license must have a written procedure for the review of a bill on the customer's request.</p>	4	<ul style="list-style-type: none"> <li>Under Clause 4(2)(a), CKB's non-potable water supply is not covered by the Water Services Code of Conduct (Customer Service Standards) 2024.</li> <li>The back of CKB's rates notices includes a section for 'Objections and Appeal Provisions' which informs customers of the process to lodge an objection to the valuation of a property. These form the basis of the sewerage charges that customers are charged for.</li> <li>CKB's procedures manual includes a 'Valuations – objections and appeals' procedure that addresses the review of water services bill.</li> <li>Section 2(f) of the Water Services Customer Service Charter sets out the processes for Charges and Accounts. This documents CKB's bill review procedure.</li> <li>Based on our review of the documentation, we consider that CKB has a written procedure for the review of a customer's bill on request.</li> </ul>	N/P	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
115	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clauses 20(3) &amp; (6)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clauses 22(2) &amp; (4)</i></p> <p>The review procedure in clause 20(2) must include the specified information and be available on the licensee's website and a hardcopy provided to a customer upon request at no charge.</p>	4	<ul style="list-style-type: none"> <li>Refer to our observations under Obligation 114.</li> <li>Under Clause 4(2)(a), CKB's non-potable water supply is not covered by the Water Services Code of Conduct (Customer Service Standards) 2018.</li> <li>We confirmed CKB has a review procedure that sets out what happens if, on review, it is found that the customer has been undercharged or overcharged and what the customer can do if unsatisfied with the outcome of the review.</li> <li>The procedure is contained within the Water Services Customer Service Charter, and this is publicly available on CKB's website.</li> </ul>	N/P	1
116 (2021)	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 20(4)</i></p> <p>The review procedure must state that the customer may, but does not have to, use the licensee's complaints procedure mentioned in clause 46 before or instead of applying to the water services ombudsman or, if available, making an appeal from, or applying for a review of, the decision under regulations mentioned in section 222(2)(k) of the Act.</p>	1	<ul style="list-style-type: none"> <li>CKB's bill review procedure provides a reference to the complaints procedure and the customer's right to refer the complaint to the Ombudsman.</li> <li>The procedure states "<i>After conducting a review of the rates account, if we are satisfied the account is correct, we may:</i> <ul style="list-style-type: none"> <li><i>request payment of any unpaid amount</i></li> <li><i>provide you with information about the operation of our internal and external complaints process, which includes your right to refer any complaint to the Energy and Water Service Ombudsman</i>"</li> </ul> </li> </ul>	A	1
116 (2024)	<p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 22(3)</i></p> <p>The review procedure must state that the customer may, but is not required to, use the licensee's complaints procedure mentioned in clause 46 before or instead of applying to the water services ombudsman or, if available, making an appeal from, or applying for a review of, the decision under regulations mentioned in section 222(2)(k) of the Act.</p>	1	<ul style="list-style-type: none"> <li>Refer our observation for 116 (2021)</li> </ul>	A	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
117 (2021)	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 20(5)</i></p> <p>The licensee must inform the customer of the outcome of a review of the customer's bill as soon as practicable or otherwise less than 15 business days from the day the customer's request for review was received.</p>	4	<ul style="list-style-type: none"> <li>Section 2(i) of CKB's Water Services Customer Service Charter notifies customers that formal request that will be responded to within 15 days.</li> <li>As noted previously, generally bill reviews relate to CKB's overall rates notices rather than being specifically for the water services charges. CKB could not recall any instances of reviews related to water service charges during the audit period.</li> <li>CKB advised that a small number of requests for review of bills have been received during the audit period and that it would expect to inform customers of the outcome of the review of bills within the required 15 business days.</li> <li>However, no records of reviews are maintained to confirm that any reviews were completed during the audit period.</li> <li>Typically, CKB expect any bill reviews to be completed in person at Council's offices or over the phone at the time they are raised by the customer.</li> </ul>	N/P	1
117A	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 21</i></p> <p>The licensee must notify each of its customers of any change to the amount or rate of a water service charge in accordance with the requirements in clause 21(2).</p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 20(1)</i></p> <p>The licensee must notify each of its customers of any change to the amount or rate of a water service charge in accordance with the requirements in subclause 20(2)</p>	4	<ul style="list-style-type: none"> <li>Fees and charges relevant to the sewer rates and charges are detailed on the customer rates notices. Actual charges are on the front of the notice and the basis for the charges is provided on the back,</li> <li>CKB also sends out an accompanying 'rates information brochure' with the annual rates notice.</li> <li>CKB publishes a schedule of rates and fees annually. The schedule is able to be accessed and downloaded from the CKB website. Sewerage rates are also published separately in the Rates section on the CKB website data.</li> </ul>	N/P	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
118	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 23</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 24</i></p> <p>The time set by the licensee for the payment of a bill must be after 14 days from when the bill is issued.</p>	4	<ul style="list-style-type: none"> <li>CKB requires payments of its sewerage rates within 45 days of issue.</li> <li>We reviewed a sample of eight residential and non-residential rates notices and confirmed that the payment terms and due dates are included on the templates. The sampled tax invoices provided for payment of charges 45 days after the recorded issue date.</li> </ul>	N/P	1
119	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 24(1)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 25(1)</i></p> <p>The licensee must allow a customer to pay a bill using any of the prescribed methods selected by the customer.</p>	4	<ul style="list-style-type: none"> <li>We reviewed CKB's rates notice and confirmed that it allows customers to pay a bill using: <ul style="list-style-type: none"> <li>– Centrepay (in the case of a residential customers)</li> <li>– Australia Post billpay</li> <li>– In person over the counter at CKB's Administrative Office or its Customer Service Centre</li> <li>– Direct Debit</li> <li>– Bpay</li> <li>– BPoint</li> <li>– Pay by mail (cheque payment)</li> </ul> </li> </ul>	N/P	1
120	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 24(2)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 25(2)</i></p> <p>The licensee must, when offering bill payment method options, inform the customer of the fees and charges (if any) associated with each bill payment method offered.</p>	4	<ul style="list-style-type: none"> <li>Each rates notice provides options for customers to pay their rates in full in one payment or two or four payments over the year.</li> <li>The Payment Options section on the front of each rates Notice informs customers of the additional administrative fees payable if they chose to pay their rates with two or four payments spread over the year. No additional payments are charged if the customer pays the annual rates notice in full in one payment.</li> </ul>	N/P	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
121 (2021)	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 25(1)</i></p> <p>Before receiving a bill payment by direct debit the licensee must obtain the express consent of the customer or of an adult person nominated by the customer to give consent.</p>	4	<ul style="list-style-type: none"> <li>CKB advised that it obtained express consent in compliance with the stipulations of clause 25(1) of the Code of Conduct during the Audit period.</li> <li>CKB's "Direct Debit Service Agreement Form" requires details of the owner of the property and the signature of the person whose bank account will be debited. Forms can be downloaded and printed from CKB's website.</li> <li>The Remittance Advice section of the rates notice also includes a phone number to call for more information if the customer wants to pay their bill by direct debit.</li> </ul>	N/P	1
121 (2024)	<p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 26</i></p> <p>Before receiving a bill payment by direct debit the licensee must obtain written or oral express consent of the customer or of an adult person nominated by the customer to give consent.</p>	4	<ul style="list-style-type: none"> <li>CKB advised that it obtained express consent in compliance with the stipulations of clause 25(1) of the Code of Conduct during the Audit period.</li> <li>CKB's "Direct Debit Service Agreement Form" requires details of the owner of the property and the signature of the person whose bank account will be debited. Forms can be downloaded from CKB's website and can also be completed online.</li> <li>The Remittance Advice section of the rates notice also includes a phone number to call for more information if the customer wants to pay their bill by direct debit.</li> </ul>	N/P	1
122	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 26(1)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 27(1)</i></p> <p>The licensee must accept payment in advance from a customer on a customer's request.</p>	4	<ul style="list-style-type: none"> <li>CKB advised that it accepts payments in advance from customers prior to the rates notice being issued for the forthcoming year.</li> </ul>	N/P	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
123	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 27</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 28</i></p> <p>The licensee must on request and at no charge redirect a customer's bills because of the customer's absence or illness.</p>	2	<ul style="list-style-type: none"> <li>▪ CKB advised that on request and at no charge, it can add third party details to a customer's account for payment in the event of the customer's absence or illness during the Audit Period.</li> <li>▪ A sample of an account with third party details (for rates notice redirection) was provided</li> <li>▪ We consider that the processes and documentation that CKB has in place would ensure that the requirements of the obligation are met.</li> </ul>	A	1
123A (2024)	<p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 29(1)-(2)</i></p> <p>For each bill issued, the licensee must allow customers (all residential customers and the business customers who have notified the licensee that they are experiencing payment difficulties) to select one of the following options:</p> <ul style="list-style-type: none"> <li>• Additional time to pay a bill or</li> <li>• Choosing a payment plan for an amount owing by the customer to the licensee.</li> </ul>	2	<ul style="list-style-type: none"> <li>▪ CKB allows customers to pay bills under a payment plan or other arrangement.</li> <li>▪ The rates notice informs customers that their rates can be paid in instalments and that there is a special payment agreement in the Direct Debit Services Agreement that allows customers to pay weekly, fortnightly or monthly. Payment forms are available to be accessed on the CKB website. An annual additional administrative fee is charged for customers paying by direct debit weekly, fortnightly or monthly.</li> <li>▪ We consider that the processes and documentation that CKB has in place would ensure that the requirements of the obligation are met when customers request more time to pay a bill.</li> </ul>	A	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
124A (2021)	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 28(2)</i></p> <p>The licensee must advise a customer who has been assessed as experiencing payment difficulties that they have a right to pay the bill under a payment plan or other arrangement under which the customer is given more time to pay the bill or arrears, and the licensee must offer to enter into an appropriate plan or arrangement with the customer.</p>	4	<ul style="list-style-type: none"> <li>CKB allows customers to pay bills under a payment plan or other arrangement.</li> <li>In addition, the rates notice informs customers that their rates can be paid in instalments and that there is a special payment agreement in the Direct Debit Services Agreement that allows customers to pay weekly, fortnightly or monthly. Payment forms are available to be accessed on the CKB website. An annual additional administrative fee is charged for customers paying by direct debit weekly, fortnightly or monthly.</li> <li>CKB advised they have approximately 250 customers on special payment plans.</li> </ul>	N/P	1
124B (2021)	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 28(3)</i></p> <p>When formulating a payment plan or other arrangement for a customer that the licensee has assessed as experiencing payment difficulties, the licensee must take the customer's capacity to pay the bill into account. In the case of a bill for usage, the licensee must also take into account how much water has been supplied or wastewater has been discharged in previous billing periods.</p>	4	<ul style="list-style-type: none"> <li>CKB takes a customer's capacity to pay the bill into account when formulating a payment plan or other arrangement for a customer that has been assessed as experiencing payment difficulties.</li> <li>CKB confirmed that it had up to 250 customers experiencing payment difficulties that were on special payment plans.</li> <li>Sewer charges are based on a fixed charge according to property GRV.</li> <li>We consider that the processes and documentation that CKB has in place would ensure that the requirements of the obligation are met when payment plans are formulated.</li> </ul>	N/P	1
124B (2024)	<p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 30(1)</i></p> <p>When formulating a payment plan to assist a customer the licensee must take the customer's capacity to pay any bill. In the case of a bill for usage, the licensee must also take into account how much water has been supplied or wastewater has been discharged in previous billing periods.</p>		<ul style="list-style-type: none"> <li>See our observation for obligation 124B (2021)</li> </ul>	N/P	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
124C (2021)	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 28(4)</i></p> <p>The licensee must consider and decide whether or not the payment plan or other arrangement for a customer who has been assessed as experiencing payment difficulties should be interest-free, or fee-free, or both.</p>	4	<ul style="list-style-type: none"> <li>▪ CKB only suspends fees for payment plans or other arrangements set up for customers with an approved financial hardship application.</li> <li>▪ CKB's Water Services Financial Hardship Policy informs customers that hardship customers on payment plans that "...debtors will not be charged any administration fees or interest whilst adhering to their payment".</li> <li>▪ We consider that the processes and documentation that CKB has in place would ensure that the requirements of the obligation are met when payment plans are formulated.</li> </ul>	N/P	1
124D (2024)	<p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 30(4)</i></p> <p>If a customer accepts a payment plan, the licensee must provide the customer the specified information in writing within 5 business days of the customer accepting the payment plan, unless the customer has provided the specified information in the preceding 12 months.</p>	2	<ul style="list-style-type: none"> <li>▪ CKB advises that a letter is sent to the customer within 5 days upon approval of the payment plan, including the required details.</li> <li>▪ CKB has approximately 250 customers on payment plans and they were all provided with a letter including the required details.</li> <li>▪ A sample letter was provided</li> </ul>	A	1
124E (2024)	<p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 30(6)</i></p> <p>A licensee must, in relation to a residential customer for whom a payment plan is being considered, offer the customer assistance to manage their bills for ongoing provision of services during the period of the payment plan.</p>	2	<ul style="list-style-type: none"> <li>▪ CKB assists customers facing payment difficulties by offering to ability to set up special payment plans (weekly, fortnightly or monthly) on a direct debit agreement.</li> <li>▪ CKB advises that payment plans can be extended to assist customers. This option is available to the approximately 250 customers on special payment plans.</li> <li>▪ Special payment plans are regularly monitored, and support is provided to amend payment plans as needed.</li> </ul>	A	1
124F (2024)	<p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 30(7)</i></p> <p>A licensee must, in relation to a business customer, consider and decide whether or not a payment plan should be interest-free, fee-free or both.</p>	2	<ul style="list-style-type: none"> <li>▪ Application for payment plans by business customers, and any associated fees, are at the discretion of the CEO.</li> <li>▪ CKB advised that no business customers have applied for assistance during the audit period.</li> </ul>	A	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
124G (2024)	<i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 31(1)</i> A licensee must review a payment plan at the request of a customer.	2	<ul style="list-style-type: none"> <li>▪ CKB advises that payment plans are monitored monthly for compliance with the payment terms and reviewed annually.</li> <li>▪ Customers are contacted if they have breached the terms of the payment plan.</li> <li>▪ CKB advises that customers may contact the City at any time to request a review of their payment plan.</li> </ul>	A	1
124H (2024)	<i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 31(2)</i> The licensee must offer to vary a payment plan if a review of the payment plan, under subclause 31(1), indicates that the customer is unable to meet the payment plan obligations.	2	<ul style="list-style-type: none"> <li>▪ Payment plans are reviewed annually or upon written request from the customer.</li> <li>▪ If the review indicates that the customer is unable to meet their obligations, the plan will be revised including extension of the plan duration and/or adjustment of the periodic payment amount.</li> </ul>	A	1
124I (2024)	<i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 31(3)</i> The licensee must, within 5 business days after the customer accepts an offer to vary the payment plan, provide the customer with information that clearly explains, and assists the customer to understand the variation.	2	<ul style="list-style-type: none"> <li>▪ CKB states that letters are provided within 15 days outlining the changes to the payment plan.</li> <li>▪ During audit all examples cited were compliant with the 5 day notification requirement.</li> <li>▪ As this is a recent update we have advised CKB they have a 5 day obligation.</li> </ul>	B	1
124J (2024)	<i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 32(1) and (2)</i> A licensee must not vary a payment plan without the customer's agreement, where the agreement relates to the particular variation rather than under a general agreement to future variations.	2	<ul style="list-style-type: none"> <li>▪ Proposed variation sent to customer and request customer to respond.</li> <li>▪ If customer does not respond, CKB will reach out to provide assistance.</li> <li>▪ The payment plan will not be changed without agreement of the customer.</li> <li>▪ Sample letters to customers were provided by CKB to allow us to verify compliance</li> </ul>	A	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
125	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clauses 29(1) &amp; (2)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clauses 32(1) and (2)</i></p> <p>The licensee must have a written policy in relation to financial hardship that is approved by the ERA.</p>	4	<ul style="list-style-type: none"> <li>▪ CKB's Water Services Financial Hardship Policy was initially issued in June 2023 with a review in September 2024.</li> <li>▪ Section 14 of the policy states that the policy was approved by the ERA.</li> <li>▪ We have determined that the current version of the policy (dated January 2025) was approved by ERA 22 January 2025. However, this was not within the audit period.</li> </ul>	N/P	1
126A	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(3)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 32(3)</i></p> <p>Unless the ERA approves otherwise, the licensee's financial hardship policy must comply with the ERA's guidelines (if any) in relation to financial hardship policies.</p>	4	<ul style="list-style-type: none"> <li>▪ Refer our observations for obligation 125</li> </ul>	N/P	1
126B	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(4)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 32(4)</i></p> <p>Unless the ERA approves otherwise, amendments to the licensee's financial hardship policy must be approved by the ERA and comply with the ERA's guidelines (if any) in relation to financial hardship policies.</p>	4	<ul style="list-style-type: none"> <li>▪ Refer our observations for obligation 125</li> </ul>	N/P	1
128	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(6)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 32(6)</i></p> <p>The licensee's financial hardship policy must be available on the licensee's website and a hardcopy provided to a customer upon request at no charge.</p>	4	<ul style="list-style-type: none"> <li>• CKB's Water Services Financial Hardship Policy is currently available on its website. We were able to access the policy document at audit. A hardcopy of the policy can be provided to a customer upon request at no charge.</li> </ul>	N/P	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
129A (2021)	<i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(7)</i> The licensee must review its financial hardship policy at least once in every 5-year period.	4	<ul style="list-style-type: none"> <li>The Water Services Financial Hardship Policy was last reviewed in September 2024. The next planned review date of the is January 2026.</li> <li>The policy states that it will be reviewed at least every five years.</li> </ul>	N/P	1
129B	<i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(8)</i> <i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 32(7)</i> The licensee must review its financial hardship policy if directed to do so by the ERA.	4	<ul style="list-style-type: none"> <li>CKB was directed to review its Water Services Financial Hardship Policy by the ERA on 12 July 2024.</li> <li>The policy was reviewed and issued as Version 2 in September 2024. A copy was provided to ERA for review.</li> <li>The ERA provided feedback and the policy was updated and issued as Version 3 on January 2025.</li> </ul>	N/P	1
129C (2021)	<i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 29(9)</i> The licensee must consult with relevant consumer organisations when formulating or reviewing its financial hardship policy.	4	<ul style="list-style-type: none"> <li>CKB consulted with the Financial Counsellors Association of WA in January 2019 when the 2019 FHP was formulated.</li> </ul>	N/P	1
129C (2024)	<i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 32(8)</i> A licensee must consult with relevant consumer organisations whenever the licensee is developing a financial hardship policy or making a material amendment to its financial hardship policy.	4	<ul style="list-style-type: none"> <li>The policy was in September 2024 and January 2025.</li> <li>Whilst the changes were not material in nature, CKB does not have any controls in place to ensure that it will consult with a relevant consumer organisation if any material changes are made to the policy.</li> </ul>	B	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
130A	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(2)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 33(2)</i></p> <p>The licensee must advise a customer who has been assessed as experiencing financial hardship that they have a right to pay the bill under an interest-free and fee-free payment plan or other arrangement under which the customer is given more time to pay the bill or arrears, and the licensee must offer to enter into an appropriate plan or arrangement with the customer.</p>	4	<ul style="list-style-type: none"> <li>CKB's Water Services Financial Hardship Policy informs customers that:  <i>"If we determine that you are in financial hardship, under the sewerage services portion of your rate notice we will offer you the following:</i> <ul style="list-style-type: none"> <li><i>more time to pay your account; or,</i></li> <li><i>a payment plan; and,</i></li> <li><i>suspend interest charges and administration fees whilst a payment plan is in place."</i></li> </ul> </li> <li>CKB has advised that they have entered into payment plans or other arrangements with customers assessed as experiencing financial hardship during the audit period. CKB confirmed at the time of the audit that it had less than ten current financial hardship customers.</li> </ul>	N/P	1
130B	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(3)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 33(3)</i></p> <p>When formulating a payment plan or other arrangement for a customer that the licensee has assessed as experiencing financial hardship, the licensee must take the customer's capacity to pay the bill into account. In the case of a bill for usage, the licensee must also take into account how much water has been supplied or wastewater has been discharged in previous billing periods.</p>	4	<ul style="list-style-type: none"> <li>Customers experiencing financial hardship must submit an application form with details of their financial situation (income and expenditure) for assessment by the City along with supporting information.</li> <li>The Rates team reviews the application and devises a suitable payment plan, taking capacity to pay into account.</li> <li>Stantec are satisfied that this obligation is met via this process.</li> </ul>	N/P	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
131A	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(4)(a)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 33(4)(a)</i></p> <p>The licensee must consider reducing the amount owing by the customer.</p>	4	<ul style="list-style-type: none"> <li>Section 5 of the Water Services Financial Hardship Policy addresses debt reduction and states that “the City will consider reducing the amount you owe to us by it waiving interest and administration fees whilst committing to a payment plan”.</li> <li>CKB has powers and duties under the <i>Local Government Act 1995</i>, including that CKB can impose an additional charge, including interest, where rates notice payments are made by instalments.</li> <li>While the <i>Water Services Code of Conduct (Customer Service Standards) 2024</i> sets out the requirements that licensees must apply for customers assessed as experiencing financial hardship, it does not authorise or require CKB to do anything that is inconsistent with its powers or duties under the <i>Local Government Act 1995</i>.</li> </ul>	N/P	1
131B	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(4)(b)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 33(4)(b)</i></p> <p>The licensee must review, upon request, how a customer is paying a bill under clause 30(2) and (3) and revise the payment plan or arrangement if the review indicates the customer is unable to meet the obligations.</p>	4	<ul style="list-style-type: none"> <li>CKB advises that it monitors payment plans each monthly and conducts an annual review.</li> <li>Payment plans are amended in consultation with customers to accommodate their capacity to pay.</li> <li>Sample communication to a customer was provided to us.</li> </ul>	N/P	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
131C	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 30(4)(c)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 33(4)(c)</i></p> <p>The licensee must provide the specified written information to a customer.</p>	4	<ul style="list-style-type: none"> <li>• Refer to our observations under Obligation 130A.</li> <li>• CKB’s Water Services Financial Hardship Policy provides written information to the customer about:                             <ul style="list-style-type: none"> <li>– redirecting the bill free of charge under clause 27</li> <li>– applying for concessions to which the customer may be entitled</li> <li>– seeking independent financial counselling or seeking advice from relevant consumer organisations</li> <li>– the bill payment methods provided by the licensee</li> <li>– applying for any other financial assistance to which the customer may be entitled including from Government-funded grant schemes.</li> </ul> </li> </ul>	N/P	1
133	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clauses 31(4) &amp; (5)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clauses 34(4) and (5)</i></p> <p>The licensee must have written information regarding the payment schemes and other assistance that is available to customers. The information must be available on the licensee’s website and a hardcopy provided to a customer upon request at no charge.</p>	4	<ul style="list-style-type: none"> <li>• CKB advised that it did have publicly available written information regarding payment plans and arrangements available to customers during the Audit Period.</li> <li>• We confirmed that this information is available in CKB’s Water Services Financial Hardship Policy. The policy is publicly available on the licensee’s website and CKB provide hard copies on request.</li> <li>• Information regarding payment schemes is described on the rates notice.</li> <li>• CKB’s Water Services Customer Service Charter (available online) also describes that assistance is available to customers.</li> <li>• CKB also provides this information in person or by telephone if requested.</li> </ul>	N/P	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
134 (2021)	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 33(1)(a)-(c)</i></p> <p>The licensee must not commence or continue proceedings to recover a debt from a customer if the customer is complying with a payment plan or other arrangement, is being assessed for payment difficulties or is being assessed for financial hardship.</p>	4	<ul style="list-style-type: none"> <li>CKB advised that it complied with the requirements of this obligation during the audit period.</li> <li>According to the Sundry Debtors Procedure Manual, CKB does not commence or continue proceedings to recover a debt from a customer if the customer is complying with a payment plan or other arrangement, is being assessed for payment difficulties or is being assessed for financial hardship.</li> </ul>	N/P	1
134 (2024)	<p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 36(1)(a)-(c)</i></p> <p>The licensee must not commence or continue proceedings to recover a debt from a customer if the customer is complying with a payment plan or other arrangement or is being assessed for financial hardship.</p>	4	<ul style="list-style-type: none"> <li>Refer our observation for obligation 134 (2021)</li> </ul>	N/P	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
134A	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 33(1)(d)-(e)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 36(1)(d)-(e)</i></p> <p>The licensee must not commence or continue proceedings to recover a debt from a customer if a complaint made by the customer to the licensee or water services ombudsman, which directly relates to the water service charge to which the debt relates, is not resolved by the licensee (or is not determined or is upheld by the ombudsman).</p>	4	<ul style="list-style-type: none"> <li>• CKB advised that it complied with the requirements of this obligation during the audit period although no debt recovery proceedings were commenced or continued.</li> <li>• As no activity took place in relation to this obligation during the audit period, we have not rated CKB's compliance with the obligation.</li> <li>• We note that CKB does not make its customers aware of its obligations under this clause in the Financial Hardship Policy for Water Services. This was recorded as a non-compliance in the 2021 audit and a recommendation to provide compliance with <i>Clause 33(1)(d)-(e)</i> was made in the previous audit/review report.</li> <li>• However, ERA has confirmed during its review of the 2022 audit/review report that there is no requirement under its Financial Hardship Policy Guidelines for Water Services (June 2018) for the inclusion of obligation 134A (clause <i>33(1)(d)-(e)</i> of the Water Code) in CKB's Hardship Policy or Sewerage Services Charter. As a result, ERA considers that CKB has not been non-compliant with the requirements of the clause.</li> </ul>	N/P	N/R



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
144A	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 43(1)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 46(1)</i></p> <p>The licensee must give notice of any planned service interruption to each customer that will be affected by the service interruption.</p>	4	<ul style="list-style-type: none"> <li>Section 3 of CKB's Water Services Customer Service Charter informs customers that "Except in emergencies, the City shall give notice to you of its intention to interrupt, postpone or limit the supply of services for the purpose of regular maintenance or works programmes. Notification shall be given to domestic customers at least forty-eight (48) hours prior and for commercial and industrial customers at least five (5) days prior or by agreement."</li> <li>CKB provides notice of any planned service interruptions to each customer that will be affected by the service interruption when required.</li> <li>Although CKB has plumbing contractors who carry out the site work, CKB arranges the advance notice provided to customers when this is required.</li> <li>CKB advised that no pre-planned wastewater network work directly impacting on customers has been completed during the audit period, only emergency breakdown work activities have been completed. As a result, we have not rated CKB's compliance with this obligation.</li> </ul>	N/P	N/R
144B	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 43(2)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 46(2)</i></p> <p>The notice of any planned service interruption must be given within the prescribed timeframes.</p>	4	<ul style="list-style-type: none"> <li>Refer to our observations made under Obligation 144A.</li> </ul>	N/P	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
144C	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 44(1)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 47(1)</i></p> <p>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.</p>	4	<ul style="list-style-type: none"> <li>• The Asset Management Policy (CORP-AP-003) provides a framework for the City to undertake the long-term sustainable management of its infrastructure and other associated assets. Objectives listed in the Policy include “<i>Ensuring that the City’s services and infrastructure are provided in a sustainable manner, with the appropriate levels of service to residents, visitors and the environment</i>”.</li> <li>• The Water Services Customer Service Charter informs customers of its overall practices to minimise the impacts of blockages and leaks in its sewerage system.</li> <li>• The Water Services WS-001 SOP Manual provides procedural information associated with dealing with and minimising the impacts of sewer main overflows and blockages. This information is included in Part D of the SOP Manual and references the obligations under this clause of the Code. This includes contingency plans for sewer overflows and blockages and information on the contracts CKB has in place to provide maintenance, renewals and jetting work activities.</li> </ul>	N/P	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
144D	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 44(2)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 47(2)</i></p> <p>The policies, practices and procedures under clause 44(1) must deal with the prescribed matters.</p>	4	<ul style="list-style-type: none"> <li>• Under Clause 4(2)(a), CKB's non-potable water supply is not covered by the Water Services Code of Conduct (Customer Service Standards) 2018. Therefore, this obligation only applies to CKB's sewerage service.</li> <li>• The Water Services Customer Charter states "<i>If a sewer overflow occurs on your property due to failure of the City of Kalgoorlie-Boulder's assets, representatives of the City shall be on site as soon as practicable, but within one hour of being notified. Action shall be taken to restore the service, clean up the affected area and minimise any damage or inconvenience. The City of Kalgoorlie-Boulder is obligated to maintain and operate its sewerage scheme so that sewerage does not overflow on customers properties</i>"</li> <li>• We reviewed the Water Services WS-001 SOP Manual and confirmed that procedures for all the matters prescribed under this clause in the Code are adequately covered including procedures for: <ul style="list-style-type: none"> <li>– Notification</li> <li>– Determining responsibility</li> <li>– Initial response</li> <li>– Spill containment</li> <li>– Recovery and clean-up</li> </ul> </li> <li>• As noted above, CKB informs customers of its practices in the Water Services Customer Service Charter and the overall asset management framework is set out in the City's Asset Management Strategy.</li> </ul>	N/P	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
144E	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 45</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 48</i></p> <p>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 emergencies and faults, and get information about the reason for, and the expected duration of, any unplanned service interruption.</p>	4	<ul style="list-style-type: none"> <li>CKB provides a 24-hour information line, by means of which, a customer can notify the licensee of emergencies and faults, and get information about the reason for, and the expected duration of, any unplanned service interruption.</li> <li>CKB's emergency customer service telephone number is readily available on their website. It is also included on the back of the rates notices.</li> <li>We rang the number after hours confirmed that it is possible to notify CKB of a sewer fault and/or emergency (option 7). The call is then transferred to the on-call water technician.</li> </ul>	N/P	1
145	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(1)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 49(1)</i></p> <p>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.</p>	4	<ul style="list-style-type: none"> <li>CKB has a Complaints Handling Policy (Exec-OD-001) which comprehensively outlines the procedure for managing and resolving complaints from customers. This includes details of CKB's commitment, recording customer complaints, processing complaints, empowering CKB staff, and monitoring customer complaints.</li> <li>Section 2(i) of CKB's Water Services Customer Service Charter, 'Enquiries, Suggestions, Complaints and Disputes', also provides an outline of CKB's customer complaints process.</li> <li>Section 2.3 of CKB's Water Services SOP Manual provides details for recording the water service complaints.</li> </ul>	N/P	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
146	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(2)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 49(2)</i></p> <p>The licensee's complaints procedure must be developed using as minimum standards the relevant provisions of AS/NZS 10002-2014 and the ERA's guidelines (if any).</p>	1	<ul style="list-style-type: none"> <li>Based on our review of the complaints procedure (outlined within CKB's Water Services Customer Service Charter), we consider that it has been developed using the some of the guiding principles of AS ISO 10002-2014.</li> <li>The complaints procedure is not sufficiently visible or transparent to customers.</li> <li>The Customer Complaints Form was difficult to locate by frontline staff and does not satisfy the communication principle.</li> </ul> <p><b>Recommendation A2/2024</b></p> <ul style="list-style-type: none"> <li>CKB should create a dedicated complaints procedure that is easily accessible (via CKB's website) and not contained within the Water Services Customer Charter.</li> <li>All relevant documentation (policy and procedures) addressing complaints should refer directly to the standalone procedure.</li> <li>The Customer Complaints Form should be reviewed and made available on CKB's website</li> </ul>	B	2
147	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(3)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 49(3)</i></p> <p>The licensee's complaints procedure must provide for the matters specified in relation to lodgement of complaints, responding to complaints, dispute resolution arrangements and resolving complaints.</p>	2	<ul style="list-style-type: none"> <li>We reviewed CKB's complaints procedure, as set out in the Water Services Customer Service Charter, the Complaints Handling Policy and the Customer Complaint Form.</li> <li>We confirm that the matters specified under this obligation are met.</li> </ul>	A	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
148A	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(4)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 49(4)</i></p> <p>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).</p>	1	<ul style="list-style-type: none"> <li>The complaints procedure outlined in the Rates Notice, Section 2 of the Water Services Customer Charter, Section 12 of the Water Services Financial Hardship Policy, and the Water Services Complaints section of the Complaints Handling Policy, each include a statement that customers may direct their complaint to an external body by contacting the Energy and Water Ombudsman for review if they are not satisfied.</li> </ul>	A	1
149	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(5)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 49(5)</i></p> <p>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.</p>	4	<ul style="list-style-type: none"> <li>CKB's complaint procedure, contained within the Water Services Customer Services Charter, is available on CKB's website.</li> </ul>	N/P	1
149A	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 47</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 50</i></p> <p>When the licensee considers that a customer's complaint has been resolved the licensee must advise the customer accordingly, inform the customer that the customer has a right to apply to the water services ombudsman for a review of the complaint, and provide a Freecall telephone number for the water services ombudsman.</p>	4	<ul style="list-style-type: none"> <li>The complaints procedure outlined in the Rates Notice, Section 2 of the Water Services Customer Charter, the Water Services Complaints section of the Complaints Handling Policy, and the Customer Complaint Form each include a statement that customers may refer their complaint to the Energy and Water Ombudsman if they are not satisfied.</li> <li>CKB stated that it complies with the obligation. This information would also be provided verbally to customers and, as such, there is no record of occasions when CKB have advised customers of their right to apply to the to the water services ombudsman for a review of the complaint. As CKB advised that no complaints were referred from the ombudsman during the audit period, we have not rated compliance with this obligation.</li> </ul>	N/P	N/R



## Audit and review report

### Operational audit

Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
150	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 48(1)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 51(1)</i></p> <p>The licensee must provide a customer with the specified services on request and at no charge.</p>	4	<ul style="list-style-type: none"><li>• We reviewed CKB's Water Services Customer Service Charter and a sample of rates notices. We can confirm that the specified services related to facilities for customer with hearing or speech impairment and interpreter services are included.</li><li>• CKB's published documents inform customers that "This information is available in alternative format upon request, please contact us for assistance" in the contact details on the back page of the document.</li><li>• As CKB was not aware if the services under the obligation have been requested during the audit period, we have not rated the compliance with the obligation.</li></ul>	N/P	N/R



**Audit and review report**

Operational audit

Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
152	<p><i>Water Services Code of Conduct (Customer Service Standards) 2013 Clause 48(2)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 51(2) and (3)</i></p> <p>The licensee must make available to each customer, 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.</p>	1	<ul style="list-style-type: none"> <li>• We reviewed a sample of residential and non-residential rate notices and confirmed that customers’ personal account information was disclosed on the notice during the audit period. The quantity of wastewater discharged is not relevant to CKB as it does not charge volumetrically.</li> <li>• CKB Rates Notices don’t include any information relating to previous rate charges for the wastewater service and there is no intention for CKB to change this in the future.</li> <li>• CKB does make previous rates information available to customers on request. This service is advertised on the CKB website. Typically, customers request previous rates notices for tax and refinance purposes. However, there is a fee for reprints of rates notice, both for hard copy and electronic copy. The charges are set out in the annual Schedule of Fees and Charges.</li> <li>• Section 2(f) of CKB’s Water Services Customer Service Charter states that “<i>The City of Kalgoorlie-Boulder shall provide historical statements of sewerage services, where available, on request at no charge.</i>”</li> </ul>	A	1



**Audit and review report**

Operational audit

<p>153</p>	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 49(1)</i>  <i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 52(1)</i>                  The licensee must make the prescribed information publicly available.</p>	<p>4</p>	<ul style="list-style-type: none"> <li>▪ CKB makes the required information publicly available as follows:                         <ul style="list-style-type: none"> <li>a) Current fees and charges are publicly available on the CKB's website.</li> <li>b) Bill payment methods are available on the Rates Notices and Tax Invoices for non-potable water customers. No additional charges are incurred by customers for any of the available payment methods although additional charges are incurred if the customer chooses to pay their rates in two or four payments as opposed to paying with one payment.</li> <li>c) Concessions that are available to CKB's rate payers are provided on the back of its Rates Notices and also in the Financial Hardship Policy for Water Services.</li> <li>d) CKB advertises all of the services provided under clause 48 of the Code .</li> <li>e) Authorised person powers are not applicable under this obligation as the licensee has not authorised any persons under the <i>Water Services Act to read a meter connected to the licensee's water service works</i>.</li> <li>f) This is not applicable to CKB's customers.</li> <li>g) This is not applicable to CKB's customers.</li> <li>h) This is not applicable to CKB's customers.</li> <li>i) This information is not applicable as the licensee does not potable supply dwellings.</li> <li>j) This is not applicable to CKB's customers.</li> <li>k) This is not applicable to CKB's customers.</li> </ul> </li> <li>• If required, CKB provides confirmation of planned interruption via a formal notice at least 48 hours in advance. CKB informs customers of unplanned interruptions as soon as they eventuate. This information is included in the Water Services Customer Service Charter.</li> </ul>	<p>N/P</p>	<p>1</p>
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## Audit and review report

### Operational audit

Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
154	<p><i>Water Services Code of Conduct (Customer Service Standards) 2013 Clause 49(2)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 52(2)</i></p> <p>The licensee must ensure that the specified information about bills may be obtained from its website.</p>	4	<ul style="list-style-type: none"> <li>▪ Under Clause 4(2)(a), CKB's non-potable water supply is not covered by the Water Services Code of Conduct (Customer Service Standards) 2018. Therefore, the majority of requirements under this obligation (those related to metered services, estimated bills, meter reading, meter testing) are not applicable.</li> <li>▪ Customers are able to have their Rates Notices reviewed in accordance with CKB's objections and appeals process, as set out on the back of the Rates Notice template. This information is available on the Rates FAQ section of CKB's website.</li> <li>▪ Complaints about the provision of a water service or a failure to provide a water service can be made in accordance with the CKB's complaints procedure mentioned in clause 46 of the Code. The CKB's Customer Services Charter, is accessible on its website and provides for the lodgement of complaints regarding sewerage services.</li> </ul>	N/P	1
154A	<p><i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 49(3)</i></p> <p><i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 52(4)</i></p> <p>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.</p>	1	<ul style="list-style-type: none"> <li>• We have verified that CKB's website contains a link to the current version of the <i>Water Services Code of Conduct (Customer Service Standards) 2024</i>.</li> </ul>	A	1
Licence obligations					



## Audit and review report

### Operational audit

Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
155	<i>Licence Condition Clause 4.2.1</i> The licensee must pay the applicable fees and charges in accordance with the Economic Regulation Authority (Licensing Funding) Regulations 2014.	4	<ul style="list-style-type: none"> <li>▪ CKB advised that it paid the following fees during the Audit Period:               <ul style="list-style-type: none"> <li>– Annual licence charge in relation to the ERA (Licensing Funding) Regulations 2014</li> <li>– Energy and Water Ombudsman (Western Australia)</li> </ul> </li> <li>• We confirmed payments had been made through invoices that had been issued and receipts for payments by CKB during the audit period.</li> </ul>	N/P	1
159	<i>Licence Condition Clause 4.1.2</i> The licensee must comply with a direction from the ERA in relation to a breach of applicable legislation.	4	<ul style="list-style-type: none"> <li>• CKB has not received any direction from the ERA in relation to a breach of applicable legislation during the audit period. Therefore, this obligation has not been rated.</li> </ul>	N/P	N/R
160	<i>Licence Condition Clause 4.6.1</i> 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	<ul style="list-style-type: none"> <li>• Accounting records are prepared in accordance with AASB standards.</li> <li>• Financial records are included in CKB's annual reports and are published on its website.</li> <li>• The financial statement includes a sign-off from the independent auditor and CKB CEO that the financial report complies with the Australian Accounting Standards and the provisions of the <i>Local Government Act 1995</i>.</li> </ul>	N/P	1
162	<i>Licence Condition Clause 5.3.4</i> The licensee must cooperate with the independent expert and comply with the ERA's audit and review guidelines dealing with the operational audit.	4	<ul style="list-style-type: none"> <li>• The current operational audit follows the ERA Audit Guidelines – 2019 Audit and Review Guidelines - Water Licences (August 2022).</li> <li>• The audit has been conducted following the audit plan prepared in accordance with the guidelines and approved by the Authority.</li> <li>• CKB has complied with all requests for information made by the auditor and has made its staff and resources freely available to assist the conduct of this audit.</li> <li>• CKB's staff have acted in a professional and helpful manner throughout this audit.</li> </ul>	N/P	1



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### Operational audit

Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
163	<p><i>Licence Condition Clauses 4.7.1(a), (b), (c)</i></p> <p>The licensee must report to the ERA, in the manner prescribed, 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.</p>	4	<ul style="list-style-type: none"> <li>CKB is not under external administration and there has been no material change of circumstances upon which the licence was granted which may affect CKB's ability to meet its obligations. Therefore, this clause has not been rated.</li> </ul>	N/P	N/R
165	<p><i>Licence Condition Clause 4.8.1</i></p> <p>The licensee must provide the ERA specified information relevant to the operation of the licence or the licensing scheme, or the performance of the ERA's function under the Act in the manner and form specified by the ERA.</p>	1	<ul style="list-style-type: none"> <li>CKB has provided the required information to the Authority.                             <ul style="list-style-type: none"> <li>Compliance report for 2022/23 – submitted on 23/8/2023</li> <li>Compliance report for 2023/24 – submitted on 4/9/2024</li> </ul> </li> <li>CKB did not submit the 2023/24 annual compliance report by the ERA's required due date in of 31 August 2024. They are required to report this non-compliance in the 2024/25 report.</li> <li>Non-compliances are tracked within a draft copy of the Compliance report for the current year. The non-compliance for late submission of the 2023/24 report is already recorded in the draft 2024/25 report.</li> <li>CKB has recently transitioned to a compliance tracking system called Attain.:                             <ul style="list-style-type: none"> <li>Administrators can quickly see calendar tasks needing attention with the ability to follow up with responsible officers</li> <li>Automated email workflow with reminders</li> <li>Attain will proactively monitor returns due for submission and provide the ability to send group reminders</li> </ul> </li> <li>CKB's water services team uses a team outlook calendar reminder to prevent the compliance report deadline from being overlooked. They are yet to start using Attain</li> </ul> <p><b>Recommendation A3/2024</b></p>	B	2



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### Operational audit

Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
			<ul style="list-style-type: none"> <li>The annual compliance reporting obligation should be tracked in Attain to ensure the report is delivered on time.</li> </ul>		
167	<p><i>Licence Condition Clause 4.8.2</i></p> <p>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.</p>	1	<ul style="list-style-type: none"> <li>The following performance reports were provided during the audit period:                             <ul style="list-style-type: none"> <li>2023 water licence standing charges – due 11/10/2023 and submitted on 20/7/2023</li> <li>2024 water licence standing charges – due on 30/9/2024 and submitted on 19/8/2024</li> <li>Performance reporting datasheet for 2022/23 – due 11/10/2023 and submitted on 23/8/2023</li> <li>Performance reporting datasheet for 2023/24 – due 9/10/2024 and submitted on 3/9/2024</li> </ul> </li> <li>Each item was submitted by the due date required.</li> </ul>	A	1
168	<p><i>Licence Condition Clauses 3.8.1 and 3.8.2</i></p> <p>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.</p>	4	<ul style="list-style-type: none"> <li>The ERA has not directed the licensee to publish information related to this obligation. Therefore, the obligation has not been rated.</li> </ul>	N/P	N/R
169	<p><i>Licence Condition Clause 3.7.1</i></p> <p>Unless otherwise specified, all notices must be in writing.</p>	4	<ul style="list-style-type: none"> <li>CKB issues all formal correspondence in writing.</li> <li>We reviewed a sample of rates notices and notices of rates adjustments (due to changes in CRV).</li> <li>We confirmed that these notices were given in writing during the Audit Period. Numerous examples, as referred to throughout this Audit Report, were sighted to support this statement.</li> </ul>	N/P	1
171	<p>Licence Condition Clause 5.1.3</p> <p>The licensee must notify the ERA of any material change to the asset management system within 10 business days of the change.</p>	3	<ul style="list-style-type: none"> <li>CKB advised that no material change has been made to the Asset Management System during the audit period.</li> </ul>	A	N/R



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### Operational audit

Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
172	<p><i>Licence Condition Clause 5.1.7</i></p> <p>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.</p>	4	<ul style="list-style-type: none"> <li>The asset management system review is being conducted in accordance with the ERA's 2019 Audit and Review Guidelines - Water Licences (August 2022).</li> <li>An audit plan consistent with these guidelines has been prepared prior to this audit. CKB has been consulted with respect to the audit plan and the audit plan has been approved by the ERA.</li> <li>The outcomes of the asset management system review are in a later section of this report.</li> </ul>	N/P	1
172A	<p><i>Licence Condition Clause 6.1.1</i></p> <p>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:</p> <p>a) to amend:</p> <p>i) the standard term or condition of service; or</p> <p>ii) the standard term or condition of service in accordance with a term proposed by the ERA; and</p> <p>to do so within a specified period.</p>	4	<ul style="list-style-type: none"> <li>CKB advised that the ERA did not direct the licensee to amend a standard term or condition of service during the audit period. As a result, we have not rated this obligation.</li> </ul>	N/P	N/R
172B	<p><i>Licence Condition Clause 6.1.2</i></p> <p>The licensee must comply with a direction given to the licensee under clause 6.1.1.</p>	4	<ul style="list-style-type: none"> <li>CKB advised that the ERA did not direct the licensee to amend a standard term or condition of service during the audit period. As a result, we have not rated this obligation.</li> </ul>	N/P	N/R
182	<p><i>Licence Condition Clause 4.4.1(b)</i></p> <p>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.</p>	4	<ul style="list-style-type: none"> <li>CKB has not provided a water service outside of the operating area during the audit period. Therefore, this obligation has not been rated</li> </ul>	N/P	N/R



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### Operational audit

Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
184A	<p><i>Licence Condition Clause 7.1.2</i></p> <p>Where the licensee provides sewerage services, the licensee must, if required by the Department of Health, enter into a Memorandum of Understanding with the Department as soon as practicable after the commencement date or as otherwise agreed with Department.</p>	4	<ul style="list-style-type: none"> <li>CKB entered into a “Memorandum of Understanding Between the Department of Health and the City of Kalgoorlie Boulder for Sewerage and Non-potable Water Services” (MoU) on 23/02/2021.</li> </ul>	N/P	1
185	<p><i>Licence Condition Clause 7.1.4</i></p> <p>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.</p>	4	<ul style="list-style-type: none"> <li>Clause 16.1 of the MoU – Memorandum is legally Binding specifies that “<i>This Memorandum is Executed pursuant to the Licensee's Operating Licence and is legally binding between the Department and Licensee.</i>”</li> <li>The requirements for audits are covered in Section 13.0 of the MoU.</li> </ul>	N/P	1



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### Operational audit

Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
186	<i>Licence Condition Clause 7.1.5</i> The licensee must comply with the terms of a Memorandum of Understanding.	4	<ul style="list-style-type: none"> <li>• CKB advised that it has complied with the terms included in the MoU during the audit period.</li> <li>• CKB submits an annual report for its recycled water scheme to the Department of health each year. This provides information on: <ul style="list-style-type: none"> <li>– The quality of the recycled water provided during the year across CKB's sampling points with the recycled water network</li> <li>– Summary analysis of the results</li> <li>– Emergency and incident management for events and issues that affected the recycled water quality,</li> <li>– Complaints received</li> <li>– Details of proposed improvements to the recycling scheme based on internal/external audits that will strengthen the scheme's ability to supply safe recycled water for the intended end uses</li> <li>– Further information and actions.</li> </ul> </li> <li>• The 2023/24 Annual Report for the sewage scheme that was submitted to the Department of health in September 2024 was reviewed during the audit</li> </ul>	N/P	1
187	Licence Condition 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.	1	<ul style="list-style-type: none"> <li>• CKB has published the MoU on its website</li> <li>• The MoU is also included as appendix FF to the Water Services Quality Management Plan.</li> </ul>	A	1



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### Operational audit

Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
188	<i>Licence Condition Clause 7.1.7</i> 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.	4	<ul style="list-style-type: none"> <li>CKB advised that it has not yet been audited on compliance with its obligations under a Memorandum of Understanding. As a result, this obligation has not been rated.</li> <li>Section 13.3 of the MoU specifies that the audit period will be determined by the Department of Health in consultation with the Licensee but will no greater than five years.</li> <li>It is anticipated that an audit may be conducted prior to the review and renewal of the MOU in 2026.</li> </ul>	N/P	N/R
189	<i>Licence Condition Clause 7.1.8</i> 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	<ul style="list-style-type: none"> <li>CKB has not been directed by the Department of Health to publish any other reported required by the Department or by the MoU during the audit period. Therefore, we have not rated this obligation.</li> </ul>	N/P	N/R
<b>Water Services Code of Practice (Family Violence) 2020</b>					
191	<i>Water Services Code of Practice (Family Violence) 2020 Clause 5(1)</i> The licensee must have a family violence policy that sets out the matters specified in clause 5(1).	1	<ul style="list-style-type: none"> <li>CKB has a Water Services Family Violence Policy (DS-SWM-007) that was adopted by Council on 26 June 2023.</li> <li>CKB has a Family Violence Policy (EXEC-CEO-020) that was adopted by Council on 28 August 2023. This policy outlines the City's approach to addressing family violence in way that is consistent with the City's Water Services Family Violence Policy and provides organisation-wide application of these policy principles.</li> <li>Both policies lack the required maturity to adequately address the matters set out in Clause 5(1). For example, the policy states that information is kept confidential but fails to outline how this will be achieved.</li> <li>The policies allude to implemented systems and staff training supported by a family violence</li> </ul>	C	3



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
			<p>process, yet this is not supported by evidence provided by CKB.</p> <p><b>Recommendation A4/2024</b></p> <ul style="list-style-type: none"> <li>• Review and update the Water Services Family Violence Policy. The policy requires improvement to fully satisfy the requirements of Water Services Code of Practice (Family Violence) 2020 Clause 5(1).</li> <li>• Specifically, Stantec have identified the following gaps in the policy that will need to be addressed: <ul style="list-style-type: none"> <li>– The training to be provided to employees</li> <li>– A process by which the account of a Customer Affected by Family Violence (CAFV) can be identified by employees without the need for customers to repeat details of the issues</li> <li>– How and when information about external services offering support is to be provided to the CAFV</li> <li>– How the info obtained from a CAFV is protected</li> <li>– The circumstances a CAFV is taken to be experiencing payment difficulties or financial hardship</li> <li>– How CKB will deal with debt management and recovery in relation to a CAFV account</li> <li>– A statement that CKB will not request written evidence of violence for customer unless evidence is reasonably necessary to enable CKB to assess appropriate measures it may take in relation to debt management and recovery</li> </ul> </li> </ul>		



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
192	<i>Water Services Code of Practice (Family Violence) 2020 Clause 5(2)</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.	1	<ul style="list-style-type: none"> <li>CKB has a Water Services Family Violence Policy that was adopted by Council on 26 June 2023.</li> </ul>	A	1
193	<i>Water Services Code of Practice (Family Violence) 2020 Clause 6</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.	1	<ul style="list-style-type: none"> <li>The family violence policies are available on the CKB website.</li> <li>The policies are available in alternative formats (softcopy/online, hardcopy and large print) upon request.</li> </ul>	A	1
194	<i>Water Services Code of Practice (Family Violence) 2020 Clause 7</i> 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.	1	<ul style="list-style-type: none"> <li>CKB states that the policies will be reviewed at least every five years to ensure it meets the needs of customers experiencing family violence.</li> <li>The next planned review date is May 2025</li> </ul>	A	1
195	<i>Water Services Code of Practice (Family Violence) 2020 Clause 8(1)</i> A licensee must maintain adequate records in relation to compliance with this code or any policy made under the code. If the licensee is a government organisation, as defined in section 3(1) of the State Records Act 2000 (WA), then records must be maintained in accordance with its obligations under that Act.	1	<ul style="list-style-type: none"> <li>CKB's rate system (Synergy) is somewhat limited regarding management of family violence matters. A 'financial hardship' flag is placed on the customer's record along with a pop-up memo to alert staff.</li> <li>CKB stores records pertaining to family violence matters in their document management system (CIA) with a confidential status.</li> </ul>	A	1
197	<i>Water Services Code of Practice (Family Violence) 2020 Clause 9</i> 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) 2018.	1	<ul style="list-style-type: none"> <li>Customers that make a disclosure are provided with a copy of the Water Services Family Violence Policy which refers to the Complaints Handling Policy (inclusive of procedure).</li> </ul>	A	1



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Ref No.	Licence reference & Summary of licence obligation	Audit priority	Observations and recommendations	Controls rating	Compliance Rating
198	<p><i>Water Services Code of Practice (Family Violence) 2020 Clause 10</i></p> <p>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.</p>	1	<ul style="list-style-type: none"><li>CKB's website includes a link to the current version of the Water Services Code of Practice (Family Violence) 2020.</li></ul>	A	1



### 3.7 Audit recommendations

A. Resolved during current Audit period			
Manual Ref.	Non-Compliance / Controls improvement (Rating / Legislative Obligation / Details of Non-Compliance or inadequacy of controls)	Date Resolved (& management action taken)	Auditors' comments
N/A	N/A	N/A	N/A

B. Unresolved during current Audit period			
Reference (no./year)	Non-Compliance/Controls improvement (Rating / Legislative Obligation / Details of Non-Compliance or inadequacy of controls)	Auditor's recommendation	Management action taken by end of Audit period
A1/2024	<p><b>Obligation 102A (B2)</b>  <i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 13(6)</i>  <i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 13(5)</i>                      Each bill must contain the prescribed information.</p>	<ul style="list-style-type: none"> <li>Update the rates notice to include the missing prescribed information. This may be achieved by referring customers to the Water Services Customer Service Charter (bill review and complaints process). The National Interpreter Symbol also needs to be included.</li> </ul>	



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### Operational audit

B. Unresolved during current Audit period			
Reference (no./year)	Non-Compliance/Controls improvement (Rating / Legislative Obligation / Details of Non-Compliance or inadequacy of controls)	Auditor's recommendation	Management action taken by end of Audit period
A2/2024	<p><b>Obligation 146 (B2)</b>  <i>Water Services Code of Conduct (Customer Service Standards) 2018 Clause 46(2)</i>  <i>Water Services Code of Conduct (Customer Service Standards) 2024 Clause 49(2)</i></p> <p>The licensee's complaints procedure must be developed using as minimum standards the relevant provisions of AS/NZS 10002-2014 and the ERA's guidelines (if any).</p>	<ul style="list-style-type: none"> <li>Based on our review of the complaints procedure (outlined within CKB's Water Services Customer Service Charter), we consider that it has been developed using the some of the guiding principles of AS ISO 10002-2014, however there are some areas for improvement.</li> <li>The complaints procedure is not sufficiently visible or transparent to customers.</li> <li>The Customer Complaints Form was difficult to locate by frontline staff and does not satisfy the communication principle.</li> </ul> <p>Recommendation</p> <ul style="list-style-type: none"> <li>CKB should create a dedicated complaints procedure that is easily accessible (via CKB's website) and not contained within the Water Services Customer Charter. All relevant documentation (policy and procedures) addressing complaints should refer directly to the standalone procedure. The Customer Complaints Form should be reviewed and made available on CKB's website.</li> </ul>	
A3/2024	<p><b>Obligation 165 (B2)</b>  <i>Licence Condition Clause 4.8.1</i></p> <p>The licensee must provide the ERA specified information relevant to the operation of the licence or the licensing scheme, or the performance of the ERA's function under the Act in the manner and form specified by the ERA.</p>	<ul style="list-style-type: none"> <li>The annual compliance reporting obligation should be tracked in Attain to ensure the report is delivered on time.</li> </ul>	



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B. Unresolved during current Audit period			
Reference (no./year)	Non-Compliance/Controls improvement (Rating / Legislative Obligation / Details of Non-Compliance or inadequacy of controls)	Auditor's recommendation	Management action taken by end of Audit period
A4/2024	<p><b>Obligation 191 (C3)</b>  <i>Water Services Code of Practice (Family Violence) 2020 Clause 5(1)</i>                      The licensee must have a family violence policy that sets out the matters specified in clause 5(1).</p>	<ul style="list-style-type: none"> <li>• Review and update the Water Services Family Violence Policy. The policy requires improvement to fully satisfy the requirements of Water Services Code of Practice (Family Violence) 2020 Clause 5(1).</li> <li>• Specifically, Stantec have identified the following gaps in the policy that will need to be addressed:                             <ul style="list-style-type: none"> <li>– The training to be provided to employees</li> <li>– A process by which the account of a Customer Affected by Family Violence (CAFV) can be identified by employees without the need for customers to repeat details of the issues</li> <li>– How and when information about external services offering support is to be provided to the CAFV</li> <li>– How the info obtained from a CAFV is protected</li> <li>– The circumstances a CAFV is taken to be experiencing payment difficulties or financial hardship</li> <li>– How CKB will deal with debt management and recovery in relation to a CAFV account</li> <li>– A statement that CKB will not request written evidence of violence for customer unless evidence is reasonably necessary to enable CKB to assess appropriate measures it may take in relation to debt management and recovery</li> </ul> </li> </ul>	



## **4 Asset management review**

### **4.1 Review overview**

The review of CKB's asset management system occurred at the same time as the audit. The comments made in section 3.1 are also applicable to the review.

### **4.2 Asset management system review scope**

The scope of the review was an assessment of the adequacy and effectiveness of CKB's asset management system by evaluating the following 12 key asset management processes:

- Asset planning
- Asset creation/acquisition
- Asset disposal
- Environmental analysis
- Asset operations
- Asset maintenance
- Asset Management Information System
- Risk management
- Contingency Planning
- Financial Planning
- Capital expenditure planning
- Review of the asset management system

Each asset management process has corresponding effectiveness criteria which were individually rated against two measures:

- Process and policy definition
- Performance

The effectiveness criteria are detailed in the Audit and Review Guidelines.

The following key documents were reviewed to undertake the asset management system review.

- Corporate Business Plan (2023-2027)
- Asset Management Policy
- Asset Management Strategy
- AM Steering Committee Charter
- Water Utility Services Plan
- Water Services Asset Management Plan
- Water Services Quality Management Plan
- Long Term Financial Plan (2024-2034)



## 4.3 Review methodology

Table 12: Asset management review methodology

Review Area	Effectiveness Criteria	Approach	Systems	Key Documents
<b>Asset Management Review</b>				
Asset planning	<ul style="list-style-type: none"> <li>Asset management plan covers key requirements</li> <li>Planning process and objectives reflect the needs of all stakeholders and is integrated with business planning</li> <li>Service levels are defined in the asset management plan</li> <li>Non-asset options (e.g. demand management) are considered</li> <li>Lifecycle costs of owning and operating assets are assessed</li> <li>Funding options are evaluated</li> <li>Costs are justified and cost drivers identified</li> <li>Likelihood and consequences of asset failure are predicted</li> <li>Plans are regularly reviewed and updated</li> </ul>	<ul style="list-style-type: none"> <li>Review and assess the adequacy of asset planning processes</li> <li>Review and assess adequacy of asset management plans</li> <li>Assess if asset management plans are up to date</li> <li>Assess implementation of asset management plans (status)</li> <li>Assess whether the asset management plan clearly assigns responsibilities and if these have been applied in practice</li> </ul>	<ul style="list-style-type: none"> <li>GIS</li> <li>Asset database / information system</li> </ul>	<ul style="list-style-type: none"> <li>Overview of planning approach</li> <li>Population projections</li> <li>Infrastructure Planning Reports</li> <li>Example planning reports</li> <li>Review of asset management plans</li> <li>Service level agreements</li> </ul>
Asset creation and acquisition	<ul style="list-style-type: none"> <li>Full project evaluations are undertaken for new assets, including comparative assessment of non-asset options</li> <li>Evaluations include all life-cycle costs</li> <li>Projects reflect sound engineering and business decisions</li> <li>Commissioning tests are documented and completed</li> <li>Ongoing legal / environmental / safety obligations of the asset owner are assigned and understood</li> </ul>	<ul style="list-style-type: none"> <li>Review adequacy of policies and procedures in relation to asset creation and acquisition</li> <li>Review examples of creations / acquisitions to check if policies and procedures were followed and check costs against estimates</li> </ul>	<ul style="list-style-type: none"> <li>Asset database / information system</li> </ul>	<ul style="list-style-type: none"> <li>Policies and procedures for asset creating and acquisition. Accounting and engineering</li> </ul>



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### Asset management review

Review Area	Effectiveness Criteria	Approach	Systems	Key Documents
Asset disposal	<ul style="list-style-type: none"> <li>Under-utilised and under-performing assets are identified as part of a regular systematic review process</li> <li>The reasons for under-utilisation or poor performance are critically examined and corrective action or disposal undertaken</li> <li>Disposal alternatives are evaluated</li> <li>There is a replacement strategy for assets</li> </ul>	<ul style="list-style-type: none"> <li>Review adequacy of policies and procedures in relation to asset disposal, asset replacement, identification of under-performing assets</li> <li>Determine if a review on the usefulness of assets are undertaken</li> <li>Review examples to check that policies and procedures are being followed</li> </ul>	<ul style="list-style-type: none"> <li>Asset database / information system</li> </ul>	<ul style="list-style-type: none"> <li>Policies and procedures for asset disposal. Accounting and engineering</li> </ul>
Environmental analysis	<ul style="list-style-type: none"> <li>Opportunities and threats in the system environment are assessed</li> <li>Performance standards (availability of service, capacity, continuity, emergency response, etc.) are measured and achieved</li> <li>Compliance with statutory and regulatory requirements</li> <li>Service standard (customer service levels etc.) are measured and achieved</li> </ul>	<ul style="list-style-type: none"> <li>Review performance and service standards over audit period</li> <li>Review performance / identify any breaches and non-compliances and corrective action taken</li> <li>Review adequacy of reporting and monitoring tools</li> </ul>		<ul style="list-style-type: none"> <li>Policies and procedures</li> <li>Planning reports</li> <li>Customer service</li> <li>Compliance reports</li> <li>Strategic plans (if appropriate)</li> </ul>
Asset operations	<ul style="list-style-type: none"> <li>Operational policies and procedures are documented and linked to service levels required</li> <li>Risk management is applied to prioritise operations tasks</li> <li>Assets are documented in an Asset Register including asset type, location, material, plans of components, an assessment of assets' physical/structural condition</li> <li>Accounting data is documented for assets</li> <li>Operational costs are measured and monitored</li> <li>Staff resources are adequate and staff receive training commensurate with their responsibilities</li> </ul>	<ul style="list-style-type: none"> <li>Review adequacy of policies and procedures in relation to asset operations</li> <li>Review staff skills / training and resources available</li> <li>Check that operations procedures are being followed including testing of the asset register, observation of operational procedures and analysis of costs</li> <li>Identify any operational events and corrective actions</li> </ul>	<ul style="list-style-type: none"> <li>Asset information system</li> <li>SCADA</li> </ul>	<ul style="list-style-type: none"> <li>Asset register</li> <li>Operations procedures</li> <li>Operational costs</li> <li>Daily / weekly / monthly checksheets</li> <li>Staff skills / resourcing structure</li> </ul>
Asset maintenance	<ul style="list-style-type: none"> <li>Maintenance policies and procedures are documented and linked to service levels required</li> </ul>	<ul style="list-style-type: none"> <li>Review adequacy of policies and procedures in relation to asset maintenance / maintenance functions</li> </ul>	<ul style="list-style-type: none"> <li>Asset information system</li> </ul>	<ul style="list-style-type: none"> <li>Maintenance procedures and schedules</li> </ul>



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### Asset management review

Review Area	Effectiveness Criteria	Approach	Systems	Key Documents
	<ul style="list-style-type: none"> <li>Regular inspections are undertaken of asset performance and condition</li> <li>Maintenance plans (emergency, corrective and preventative) are documented and completed on schedule</li> <li>Failures are analysed and operational / maintenance plans adjusted where necessary</li> <li>Risk management is applied to prioritise maintenance tasks</li> <li>Maintenance costs are measured and monitored</li> </ul>	<ul style="list-style-type: none"> <li>Check that policies and procedures have been followed including testing of maintenance schedules, analysis of costs,</li> <li>Review maintenance schedules / plans</li> <li>Identify any maintenance events and corrective actions</li> </ul>		<ul style="list-style-type: none"> <li>Record of maintenance</li> <li>Maintenance costs</li> </ul>
Asset Management Information System	<ul style="list-style-type: none"> <li>Adequate system documentation for users and IT operators</li> <li>Input controls include appropriate verification and validation of data entered into the system</li> <li>Logical security access controls appear adequate, such as passwords</li> <li>Physical security access controls appear adequate</li> <li>Data backup procedures appear adequate and backups are tested</li> <li>Computations for licensee performance reporting are accurate</li> <li>Management reports appear adequate for the licensee to monitor licence obligations</li> <li>Adequate measures to protect asset management data from unauthorised access or theft by persons outside the organisation</li> </ul>	<ul style="list-style-type: none"> <li>Review adequacy of asset information system: <ul style="list-style-type: none"> <li>Asset coverage</li> <li>Functionality</li> <li>Data coverage</li> <li>Security</li> <li>User functionality granted is appropriate</li> </ul> </li> <li>Review outputs / reports generated by systems and assess suitability for reporting against performance standards / licence obligations</li> </ul>	<ul style="list-style-type: none"> <li>Asset Management Information system</li> </ul>	<ul style="list-style-type: none"> <li>AMIS manual</li> <li>AMIS data coverage and quality report</li> <li>Asset reports</li> </ul>
Risk management	<ul style="list-style-type: none"> <li>Risk management policies and procedures exist and are being applied to minimise internal and external risks</li> <li>Risks are documented in a risk register and treatment plans are implemented and monitored</li> <li>The probability and consequence of risk failure are regularly assessed</li> </ul>	<ul style="list-style-type: none"> <li>Review risk assessment coverage</li> <li>Review sample of risk mitigation to check policies and procedures are followed</li> <li>Assess staff understanding of risk management and adequacy of risk management training for staff</li> </ul>		<ul style="list-style-type: none"> <li>Corporate Risk management framework</li> <li>Risk assessment</li> </ul>



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### Asset management review

Review Area	Effectiveness Criteria	Approach	Systems	Key Documents
Contingency planning	<ul style="list-style-type: none"> <li>Contingency plans are documented, understood and tested to confirm their operability and to cover higher risks</li> </ul>	<ul style="list-style-type: none"> <li>Review adequacy / relevance and currency of contingency plans</li> <li>Review if plans have been tested and report on findings</li> <li>Identify any improvements that have been actioned as a result of testing of the contingency plans</li> </ul>		<ul style="list-style-type: none"> <li>Contingency plans</li> </ul>
Financial planning	<ul style="list-style-type: none"> <li>The financial plan states the financial objectives and identifies strategies and actions to achieve those</li> <li>The financial plan identifies the source of funds for capital expenditure and recurrent costs</li> <li>The financial plan provides projections of operating statements (profit and loss) and statement of financial position (balance sheets)</li> <li>The financial plan provides firm predictions on income for the next five years and reasonable indicative predictions beyond this period</li> <li>The financial plan provides for the operations and maintenance, administration and capital expenditure requirements of the services</li> <li>Large variances in actual/budget income and expenses are identified and corrective action taken where necessary</li> </ul>	<ul style="list-style-type: none"> <li>Review adequacy and effectiveness of financial planning and reporting processes</li> <li>Review current financial plan and assess whether the process is being followed</li> </ul>		<ul style="list-style-type: none"> <li>Financial Plan</li> </ul>
Capital expenditure planning	<ul style="list-style-type: none"> <li>There is a capital expenditure plan covering works to be undertaken, actions proposed, responsibilities and dates</li> <li>The capital expenditure plan provides reasons for capital expenditure and timing of expenditure</li> <li>The capital expenditure plan is consistent with the asset life and condition identified in the asset management plan</li> </ul>	<ul style="list-style-type: none"> <li>Review adequacy and effectiveness of capital planning processes through examination of application of process and example documents</li> </ul>	<ul style="list-style-type: none"> <li>Spreadsheets for capital planning and prioritisation</li> </ul>	<ul style="list-style-type: none"> <li>Capital expenditure planning process outline</li> <li>Value engineering documents</li> <li>Risk management applied to</li> </ul>



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### Asset management review

Review Area	Effectiveness Criteria	Approach	Systems	Key Documents
	<ul style="list-style-type: none"> <li>There is an adequate process to ensure that the capital expenditure plan is regularly updated and implemented</li> </ul>			investment planning <ul style="list-style-type: none"> <li>Program management documents</li> <li>Review of capex estimate v outturn</li> </ul>
Review of AMS	<ul style="list-style-type: none"> <li>A review process is in place to ensure the asset management plan and the asset management system described in it remain current</li> <li>Independent reviews (e.g., internal audit) are performed of the asset management system</li> </ul>	<ul style="list-style-type: none"> <li>Determine when the asset management plan was last updated and assess whether any significant changes have occurred</li> <li>Determine whether any independent reviews have been performed. If so, review results and action taken</li> <li>Consider the need to update the asset management plan based on the results of this review</li> <li>Determine when the AMS was last reviewed.</li> </ul>		<ul style="list-style-type: none"> <li>Asset management plans</li> </ul>



## 4.4 Review deficiencies and recommendations

The previous review did not identify any deficiencies or recommendations with regard to CKB's asset management system.

## 4.5 Review effectiveness summary

The asset management system review assessed the effectiveness of the asset management system in delivering the services as required under the operating licence.

The review was conducted utilising the asset management adequacy and performance ratings as outlined in the Audit Guidelines. The overall effectiveness rating for each process is determined by combining the ratings for each effectiveness criterion. Our approach is to only provide an 'A1' for the process if all criteria are rated 'A1'.

A summary of the outcomes of the review is provided in Table 13.

*Table 13: Asset management review effectiveness summary*

<b>Asset management process &amp; effectiveness criteria</b>	<b>Asset management process and policy rating</b>	<b>Asset management performance rating</b>
<b>Asset planning</b>	B	2
Asset management plan covers key requirements	B	2
Planning process and objectives reflect the needs of all stakeholders and is integrated with business planning	A	1
Service levels are defined in the asset management plan	A	1
Non-asset options (e.g., demand management) are considered	A	1
Lifecycle costs of owning and operating assets are assessed	B	2
Funding options are evaluated	A	1
Costs are justified and cost drivers identified	A	1
Likelihood and consequences of asset failure are predicted	B	2
Plans are regularly reviewed and updated	C	3
<b>Asset creation/acquisition</b>	A	1
Full project evaluations are undertaken for new assets, including comparative assessment of non-asset options	A	1
Evaluations include all life-cycle costs	A	1
Projects reflect sound engineering and business decisions	A	1
Commissioning tests are documented and completed	A	1
Ongoing legal / environmental / safety obligations of the asset owner are assigned and understood	A	1



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<b>Asset management process &amp; effectiveness criteria</b>	<b>Asset management process and policy rating</b>	<b>Asset management performance rating</b>
<b>Asset disposal</b>	A	1
Under-utilised and under-performing assets are identified as part of a regular systematic review process	A	1
The reasons for under-utilisation or poor performance are critically examined and corrective action or disposal undertaken	A	1
Disposal alternatives are evaluated	A	1
There is a replacement strategy for assets	A	1
<b>Environmental analysis</b>	A	1
Opportunities and threats in the system environment are assessed	A	1
Performance standards (availability of service, capacity, continuity, emergency response, etc) are measured and achieved	A	1
Compliance with statutory and regulatory requirements	A	1
Service standard (customer service levels etc) are measured and achieved	A	1
<b>Asset operations</b>	A	1
Operational policies and procedures are documented and linked to service levels required	A	1
Risk management is applied to prioritise operations tasks	A	1
Assets are documented in an Asset Register including asset type, location, material, plans of components, an assessment of assets' physical/structural condition	A	1
Accounting data is documented for assets	A	1
Operational costs are measured and monitored	A	1
Staff resources are adequate, and staff receive training commensurate with their responsibilities	A	1
<b>Asset maintenance</b>	B	2
Maintenance policies and procedures are documented and linked to service levels required	A	1
Regular inspections are undertaken of asset performance and condition	A	1
Maintenance plans (emergency, corrective and preventative) are documented and completed on schedule	B	2
Failures are analysed and operational / maintenance plans adjusted where necessary	B	2
Risk management is applied to prioritise maintenance tasks	A	1
Maintenance costs are measured and monitored	A	1
<b>Asset management information system</b>	A	1
Adequate system documentation for users and IT operators	A	1



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<b>Asset management process &amp; effectiveness criteria</b>	<b>Asset management process and policy rating</b>	<b>Asset management performance rating</b>
Input controls include appropriate verification and validation of data entered into the system	B	2
Logical security access controls appear adequate, such as passwords	A	1
Physical security access controls appear adequate	A	1
Data backup procedures appear adequate, and backups are tested	A	1
Computations for licensee performance reporting are accurate	A	1
Management reports appear adequate for the licensee to monitor licence obligations	A	1
Adequate measures to protect asset management data from unauthorised access or theft by persons outside the organisation	A	1
<b>Risk management</b>	B	2
Risk management policies and procedures exist and are being applied to minimise internal and external risks	A	1
Risks are documented in a risk register and treatment plans are implemented and monitored	B	2
The probability and consequence of risk failure are regularly assessed	B	2
<b>Contingency planning</b>	A	1
Contingency plans are documented, understood and tested to confirm their operability and to cover higher risks	A	1
<b>Financial planning</b>	B	2
The financial plan states the financial objectives and identifies strategies and actions to achieve those	B	2
The financial plan identifies the source of funds for capital expenditure and recurrent costs	A	1
The financial plan provides projections of operating statements (profit and loss) and statement of financial position (balance sheets)	A	1
The financial plan provides firm predictions on income for the next five years and reasonable indicative predictions beyond this period	A	1
The financial plan provides for the operations and maintenance, administration and capital expenditure requirements of the services	A	1
Large variances in actual/budget income and expenses are identified and corrective action taken where necessary	A	1
<b>Capital expenditure planning</b>	B	2
There is a capital expenditure plan covering works to be undertaken, actions proposed, responsibilities and dates	B	2



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<b>Asset management process &amp; effectiveness criteria</b>	<b>Asset management process and policy rating</b>	<b>Asset management performance rating</b>
The capital expenditure plan provides reasons for capital expenditure and timing of expenditure	A	1
The capital expenditure plan is consistent with the asset life and condition identified in the asset management plan	A	1
There is an adequate process to ensure that the capital expenditure plan is regularly updated and implemented	A	1
<b>Review of AMS</b>	B	2
A review process is in place to ensure the asset management plan and the asset management system described in it remain current	B	2
Independent reviews (e.g., internal audit) are performed of the asset management system	B	2



## 4.6 Review observations

Table 14: Asset management system review observations

Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
1	Asset planning Asset planning strategies focuses on meeting customer needs in the most effective and efficient manner (delivering the right service at the right price).			B	2
1.1	Asset management plan covers the processes in this table	4	<p><b>Summary</b></p> <ul style="list-style-type: none"> <li>CKB's Asset Management Strategy and supporting documents cover the key requirements for the processes in this table, including operations, maintenance, financial and capital expenditure planning, risk analysis and contingency planning for the wastewater and recycled water services provided.</li> <li>The key asset management systems and documents used by CKB to manage its wastewater and recycled water assets are summarised in the following paragraphs.</li> </ul> <p><b>Asset Management Policy</b></p> <ul style="list-style-type: none"> <li>CKB has an Asset Management Policy (CORP-AP-003) that sets out CKB's overall objectives and is applied to all CKB's activities, including the wastewater and non-potable water assets.</li> </ul> <p><b>Asset Management Strategy</b></p> <ul style="list-style-type: none"> <li>CKB has an Asset Management Strategy that provides a framework for the City to undertake the long-term sustainable management of its infrastructure and other associated assets.</li> </ul> <p><b>Water Utility Services Plan</b></p> <ul style="list-style-type: none"> <li>CKB has a Water Utility Services Plan that outlines the strategic intent for the delivery of wastewater and recycled water services.</li> <li>The Water Utility Services Plan provides information on CKB's assets, regulatory environment, organisational structure, asset management</li> </ul>	B	2



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Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
			<p>practices, operational and budgeting practices, and performance measures, including customer service measures.</p> <p><b>Asset Management Plan</b></p> <ul style="list-style-type: none"> <li>• The purpose of CKB's AMP is to demonstrate proactive management of assets (and services provided from assets), compliance with regulatory requirements, and to communicate funding requirements.</li> <li>• The AMP structure is consistent with AMP's from water services providers of similar size and maturity. However, some areas of the plan require improvement to meet minimal accepted practices. Specific improvements are provided throughout this review.</li> </ul> <p><b>Asset Management Information System</b></p> <ul style="list-style-type: none"> <li>• CKB uses Thinkproject RAMM as its asset register and works management system for its wastewater and recycled water assets. RAMM also has spatial capability and stores shape file data against the assets as well as asset attribute data.</li> </ul> <p><b>Water Services Quality Management Plan</b></p> <ul style="list-style-type: none"> <li>• The Water Service Quality Management Plan has been developed to include a series of appendices for the operations of the wastewater and recycled water schemes. This includes scheme plans, process descriptions, technical operating and maintenance manuals for the wastewater treatment plant and recycled water scheme, as well as supporting management plans, e.g., odour management, algae management, noise management, and mosquito management plans.</li> <li>• The Water Services Quality Management Plan also includes recycled water quality management documents, e.g., process control tables, operational monitoring and critical control point information, sampling processes and procedures and the health risk assessment for the recycled water scheme.</li> </ul> <p><b>Water Services Standard Operating Procedures (SOP) Manual</b></p> <ul style="list-style-type: none"> <li>• The key mitigation strategies to minimise operational risks are the operational SOPs included in the Water Services SOP Manual. This includes the tasks completed by CKB's contract staff.</li> </ul>		



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### Asset management review

Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
1.2	Planning process and objectives reflect the needs of all stakeholders and is integrated with business planning	4	<ul style="list-style-type: none"> <li>The Planning department within the Council is responsible for overall planning and develop the Planning Scheme document. The integrated strategic planning framework reflects the needs of the stakeholders.</li> <li>CKB published version 2 of the Local Planning Scheme in 2023.</li> <li>CKB's Strategic Community Plan takes into account current and expected changes in community demographics, social issues and local, national and global influences and shapes the service delivery policy of the City of Kalgoorlie-Boulder for a 10-year period. The current Strategic Community Plan covers the period 2020-2030.</li> <li>CKB adopted its Corporate Business Plan in 2023 for the 2023 to 2027 period. This is a four-year plan that translates the City's strategies into priorities and actions which support the achievement of the Strategic Community Plan. It is an internal business planning tool that informs the annual planning and budgeting process. It outlines specific operating activities and capital works programs that are to be delivered.</li> <li>The water services Asset Management Plan reflects stakeholder needs by making reference to the City's key corporate planning documents, including: <ul style="list-style-type: none"> <li>Strategic Community Plan 2020 – 2030</li> <li>Corporate Business Plan 2021 – 2024</li> <li>Kalgoorlie–Boulder Growth Plan</li> <li>The City of Kalgoorlie – Boulder Local Planning Strategy 2013 – 2033</li> </ul> </li> <li>Section 2.2 of the AMP states that "The City's Strategic Statement, Aspirations and Principles have also driven the development of this Asset Management Plan," and these aspirations and guidelines are listed.</li> </ul>	A	1
1.3	Service levels are defined in the asset management plan	4	<ul style="list-style-type: none"> <li>Levels of Service are provided in section 4.0 of the AMP. This section includes customer expectations (including the results of the most recent customer survey), the overall strategic and corporate goals, legislative requirements, technical standards and guidelines used and the licences and approvals relevant to the provided water services</li> <li>Performance measures used to identify whether the corporate and asset management objectives are being met are included in the Water Utility Services Plan (WUSP). The AMP refers to the WUSP in section 4.2.</li> <li>CKB's performance measures for its sewer and treatment, recycled water, customer service, infrastructure maintenance and operations are set out in the 'Our Measures' section of the Water Utility Services Plan.</li> </ul>	A	1



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Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
1.4	Non-asset options (e.g., demand management) are considered	4	<ul style="list-style-type: none"> <li>CKB considers non-asset options in the planning of new works and when considering replacement of existing assets.</li> <li>CKB commissioned a Water Loss report in 2018 that formed the basis of an Issues Paper Recycled Water Supply. This provided a water balance for the entire system and identified improvements that could be made to the system to maximise available recycled water supply.</li> <li>CKB monitors recycled water consumption and makes adjustments to ensure that consumption does not exceed supply. This applies to irrigation of CKB owned public spaces.</li> </ul>	A	1
1.5	Lifecycle costs of owning and operating assets are assessed	4	<ul style="list-style-type: none"> <li>CBK has published a Long-Term Financial Plan (LTFP) that extends from 2023/24 to 2033/34. The LTFP covers financing of proposed capital works, operations and maintenance costs over the period.</li> <li>This LTFP is underpinned by the Excel based Water Services LTFP which provides a 30-year forecast. This was last updated in November 2024</li> <li>The Financial Planning section in the AMP describes the financial planning process but does not provide a summary of the long-term forecast.</li> <li>A summary of the LTFP should be included in the AMP</li> </ul>	B	2
1.6	Funding options are evaluated	4	<ul style="list-style-type: none"> <li>The City's LTFP states that "<i>Council will only approve new major projects where it has identified funding to do so</i>". Typical funding sources are rates revenue, grants and borrowings.</li> <li>CKB's funding strategy is included in Section 1.4 the AMP. The AMP states that "<i>There is sufficient funding to provide the Water Services Assets Classes service levels identified in the Water Utility Services Plan. Expansion of the assets will be reviewed in business case scenarios.</i>"</li> <li>The water services LTFP addresses funding sources within the financial model.</li> <li>The funding sources that CKB has included in its financial model include Sewer Rates, Sewer Pedestal Charges, Recycled Water Sales and third-party trade waste delivered to the South Boulder WWTP. Reserve funds can also be made available for funding CKB's capital projects.</li> </ul>	A	1



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Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
1.7	Costs are justified and cost drivers identified	4	<ul style="list-style-type: none"> <li>CKB has a corporate budgeting process to review and approve any new works that have been identified. CKB justifies its capital and operating costs when developing its budgets and the drivers are identified.</li> <li>Asset condition and performance data is recorded against CKB's assets in RAMM and this can be shown visually in the GIS to identify problem areas within the sewer network to be included in CKB's ongoing inspection program, where areas of the network require jetting or where assets need to be replaced or renewed.</li> <li>The capital works budget submitted for review and approval includes a justification for the proposed expenditure and details of the previous spend for each item.</li> <li>Estimated costs are justified based on achieving the required levels of service, while taking the risk and cost into consideration.</li> </ul>	A	1
1.8	Likelihood and consequences of asset failure are predicted	4	<ul style="list-style-type: none"> <li>CKB's Infrastructure Risk Management Plan is included in Section 6.7 of the AMP. The risk profiles for CKB's wastewater services identify the consequences for categories of General, Financial, Safety, Environment, Employees, Performance, Technical Complexity and Public Image &amp; Reputation.</li> <li>CKB's Water Services Risk Assessment is included in Appendix 2 of the AMP.</li> <li>Asset risk information is stored in the asset management information system (ThinkProject RAMM).</li> <li>A summary of the asset risk profile should be provided in section 6.7 of the Water Services AMP</li> </ul>	B	2



## Audit and review report

### Asset management review

Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
1.9	Plans are regularly reviewed and updated	3	<ul style="list-style-type: none"> <li>The key artifacts of the asset management system are:                             <ul style="list-style-type: none"> <li>Asset Management Policy (Adopted 27/3/2023)</li> <li>2023-2028 Asset Management Strategy (May 2023 Version 2.0)</li> <li>Asset Management Steering Committee Charter (31/7/2024 version 2)</li> <li>Water Services Asset Management Plan December 2022 (27/1/2023 Version 4)</li> <li>Water Utility Services Plan - December 2022 (4/1/2023 Version 3)</li> <li>Long Term Financial Plan 2024-2034 (no date/version)</li> <li>Water Utility Services Strategy and Capital Works Program 2019-2024</li> </ul> </li> <li>The last full review and update of the AMP was conducted prior to the review period in December 2022.</li> <li>According to stated review cycles, the Asset Management Plan was due for review in December 2023</li> </ul> <p>Recommendation R1/2024</p> <p>Review, improve and update the Water Services Asset Management Plan. Ensure that review cycles are defined for elements of the asset management system and that reviews are completed on time.</p>	C	3
2	Asset creation/acquisition Asset creation/acquisition is the provision or improvement of assets.			A	1
2.1	Full project evaluations are undertaken for new assets, including comparative assessment of non-asset options	4	<ul style="list-style-type: none"> <li>CKB's Asset Creation/Acquisition process is set out in Section 6.5 of its AMP.</li> <li>Asset upgrades and new asset projects are developed considering growth projections from CKB's strategic planning documents, land development proposals, service levels, licence compliance, Councillor and community requests and legislative changes.</li> <li>CKB's asset renewals are based on inspections, repair cost data, asset performance and the monitoring of service level breaches.</li> <li>CKB has to prepare Business Cases under Section 3.59 of the Local Government Act for new assets that are identified but not for renewal of current assets. CKB's Business Cases include all life-cycle costs and include an assessment of non-asset solutions, where applicable.</li> <li>Project proposals identifying the drivers, costs (revenue) and timeframes are developed for all major asset renewal and upgrade/new projects.</li> <li>Business Cases are submitted through CKB's budgeting process for review and approval. Candidate proposals are assessed to verify the need and to develop a preliminary renewal estimate.</li> </ul>	A	1



## Audit and review report

### Asset management review

Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
			<ul style="list-style-type: none"> <li>During the review period, CKB has proposed the 'Water Bank' project. The Water Services department prepared an issues paper for this project that was presented to Council for approval and inclusion in the City's budget based on demand forecasts, water balance analysis and recycled water options prepared by an external consultant.</li> </ul>		
2.2	Evaluations include all life-cycle costs	4	<ul style="list-style-type: none"> <li>CKB evaluations include all lifecycle costs.</li> <li>Costs for the purchase and installation of created or acquired assets, lifecycle costs for operations and maintenance and the projected replacement costs are evaluated for major acquisitions.</li> <li>CKB's water services LTFP includes forecast estimates out to 2058 that considers new assets, asset renewals and operating and maintenance costs.</li> </ul>	A	1
2.3	Projects reflect sound engineering and business decisions	4	<ul style="list-style-type: none"> <li>Proposed capital acquisitions in the ten-year Long Term Financial Plan (LTFP) are based on sound development/ improvement proposals contained in engineering reports by specialist consultants and internally by CKB's Water Services department.</li> <li>CKB engages consultants to prepare independent reports for major projects or when specialist information is needed.</li> <li>CKB commissioned a sewer model of its network to identify where there are issues within the network due to flows backing up and where there are overflows in dry and wet weather. This has been used to identify areas for jetting to improve the performance of the sewer pipes in affected areas.</li> <li>CKB has identified potential additional stormwater capture projects, and these will be assessed on individual business cases to determine future capital requirements and best commercial outcomes for the City. The demand forecasts, water balance and storage analysis and stormwater project options have been developed by an external consultant.</li> </ul>	A	1
2.4	Commissioning tests are documented and completed	4	<ul style="list-style-type: none"> <li>Requirements for testing and commissioning for sewer pipes is included in Section 5.5 of CKB's Requirements for Sub-Divisions Policy.</li> <li>CKB does not have specific testing and commissioning procedures for its active assets but would expect to include these in the conditions of contract when tendering any work at the WWTP or at its recycled water sites.</li> <li>CKB does not inspect every new developer asset but requires engineer sign-off before they are transferred to the City's asset base. There is a requirement for the developer to provide As Constructed drawings of the new sewer pipework connecting to the CKB's existing infrastructure.</li> </ul>	A	1



**Audit and review report**  
Asset management review

Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
2.5	Ongoing legal / environmental / safety obligations of the asset owner are assigned and understood	4	<ul style="list-style-type: none"> <li>• As asset owner, CKB has the overall legal/environmental/health responsibility for its water service assets. Operational or management responsibility is assigned to individual council officers or departments.</li> <li>• CKB outlines its objectives for its water service in the Water Services Utility Plan and these include:               <ul style="list-style-type: none"> <li>– Operate Responsibly                   <ul style="list-style-type: none"> <li>o Ensure our operational practices are efficient, effective and safe, and meet or exceed regulatory obligations.</li> <li>o Ensure optimal management of capital and operational costs.</li> <li>o Understand best industry practices, pursuing continuous improvement of operations to deliver optimal outcomes for the community.</li> </ul> </li> </ul> </li> <li>• In addition, the Water Services Utility Plan includes a section on ‘Our Regulators’, where CKB summarises the conditions required by all relevant bodies that regulate its water services.</li> <li>• Legal, environmental and safety obligations are also documented in the AMP and in the SOP Manuals.</li> <li>• Section 4.4 - Technical Standards and Guidelines in the AMP outlines the key standards and guidelines that CKB uses to attain the required levels of service for its assets.</li> <li>• In addition, Section 4.5 – Licence and Approvals in the AMP provides details of CKB’s ERA, DWER and DoH licences and approvals.</li> <li>• The SOP Manual includes sections on Compliance Reporting (Section 3), and Relevant Acts, Laws and Policies (Section 5).</li> <li>• The SOP Manuals also outlines specific operational procedures in detail. CKB has checklist procedures for specific operations at the WWTP and in the sewer and non-potable water networks.</li> <li>• Legal, environmental and safety obligations related to the recycled water scheme are documented in the Water Services Quality Management Plan. There is also a separate O&amp;M Manual for the recycled water scheme.</li> </ul>	A	1



## Audit and review report

### Asset management review

Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
3	Asset disposal Asset disposal is the consideration of alternatives for the disposal of surplus, obsolete, under-performing or unserviceable assets.			A	1
3.1	Under-utilised and under-performing assets are identified as part of a regular systematic review process	4	<ul style="list-style-type: none"> <li>• CKB's Disposal Plan is set out in Section 6.6 of the AMP.</li> <li>• CKB's assets are continually reviewed for performance and condition.</li> <li>• Under-utilised or under-performing assets are identified using knowledge gained from site via inspections and maintenance work, including repairing and rectifying blockages and overflows, CKB's jetting program and its CCTV program. Historical information such as asset performance, failures and age are also used.</li> <li>• CKB has its own small CCTV rig that it can use to carry out inspections in the field to confirm any issues or reasons for a particular under-performing asset. CKB also has an ongoing CCTV inspection program that it contracts out to survey key under-performing areas and critical pipes within the network.</li> <li>• CKB identified that their recycled water standpipes (filling stations) were assessed and subsequently decommissioned in the audit period.</li> </ul>	A	1
3.2	The reasons for under-utilisation or poor performance are critically examined and corrective action or disposal undertaken	4	<ul style="list-style-type: none"> <li>• CKB commissioned a sewer model of its network in 2021 and this has been used to identify where there are issues within the network due to flows backing up and where there are overflows in dry and wet weather. This has been used to identify areas for jetting to improve the performance of the sewer pipes in affected areas.</li> <li>• Similarly, as noted above, CKB use its ongoing CCTV program to examine key under-performing areas within the network and its critical main pipes.</li> <li>• CKB uses RAMM to examine work order information and collected condition data to identify areas to be included in its jetting program. Asset condition information collected during routine and emergency maintenance is recorded in RAMM and used to identify assets to be replaced or renewed. Examples of the reports used within RAMM to evaluate assets for corrective action or disposal were viewed during the review.</li> </ul>	A	1



**Audit and review report**  
 Asset management review

Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
3.3	Disposal alternatives are evaluated	4	<ul style="list-style-type: none"> <li>• CKB disposes of an asset when it becomes uneconomical to maintain and/or replace.</li> <li>• Disposal of sewerage assets are undertaken in accordance with Section 3.58 of the <i>Local Government Act 1995</i>.</li> <li>• CKB has an Asset Disposal Policy (CORP-AP-002) that establishes a policy for the City to openly and transparently dispose of its assets surplus to Council's needs that have a maximum written down value of \$5,000.</li> <li>• Generally, CKB's sewer and recycled water pipelines are left in the ground as the preferred renewing of pipelines is via relining, pipe bursting through the existing pipeline or laying new.</li> <li>• Generally, the mechanical and electrical components of CKB's decommissioned non-pipeline assets are disassembled for parts and utilised for renewals or spares.</li> <li>• CKB sells genuine resale value items through open auction.</li> <li>• The remaining components are stockpiled and sold for scrap metal, where possible. In some instances, it is cheaper to dispose of assets in Council land-fill sites.</li> </ul>	A	1
3.4	There is a replacement strategy for assets	4	<ul style="list-style-type: none"> <li>• CKB's asset replacement strategy is based on investigation of assets associated with emergencies/incidents leading straight replacement of a failed asset and use of its RAMM asset management and works management system to review assets for renewals based on age, condition and performance.</li> <li>• During the review period, CKB disposed of their recycled water stand-pipe assets. We evidenced this during our site inspections.</li> </ul>	A	1



## Audit and review report

### Asset management review

Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
4	Environmental analysis Environmental analysis examines the asset management system environment and assesses all external factors affecting the asset management system.			A	1
4.1	Opportunities and threats in the system environment are assessed	4	<ul style="list-style-type: none"> <li>Opportunities and threats in the system are adequately addressed in the comprehensive risk and mitigation analysis in the Water Services Risk Assessment.</li> <li>CKB's Infrastructure Risk Management Plan is included in Section 6.7 of the AMP. The risk profiles for CKB's wastewater services identify the consequences for categories of General, Financial, Safety, Environment, Employees, Performance, Technical Complexity and Public Image &amp; Reputation.</li> <li>CKB's Water Services Risk Assessment is included in Appendix 2 of the AMP.</li> <li>The Water Services Quality Management Plan includes a number of specific management plans in its appendices, including Mosquito Management Plan and Algae Management Plan. The Odour Management Plan provides a reference to appropriate section of the WTPP SOP Manual.</li> <li>A separate health risk assessment for the recycled water scheme is included in Appendix E of the Water Services Quality Management Plan. Risk characterisation has been used to integrate the information gathered in the hazard identification, dose response and exposure assessment.</li> </ul>	A	1
4.2	Performance standards (availability of service, capacity, continuity, emergency response, etc) are measured and achieved	4	<ul style="list-style-type: none"> <li>CKB's performance measures for its sewer and treatment, recycled water, customer service, infrastructure maintenance and operations are set out in the 'Our Measures' section of the Water Utility Services Plan. This sets out the objectives, performance measures and targets under each category.</li> <li>During the review period, CKB has achieved the performance targets included in the Water Services Utility Plan.</li> <li>CKB records details of all the sewer blockages and overflows it attends in RAMM and uses this to report against its blockage and overflow performance standards.</li> <li>CKB has current targets to achieve &lt;5 blockages per 1,000 connections and &lt;25 blockages per 100 km of sewer main. We confirmed that CKB achieved these standards in 2022/23 and 2023/24.</li> <li>A quarterly Water Services Commercial Business Report includes reporting of key performance measures.</li> <li>Performance standards are reported to the ERA annually.</li> </ul>	A	1



## Audit and review report

### Asset management review

Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
4.3	Compliance with statutory and regulatory requirements	4	<ul style="list-style-type: none"> <li>▪ CKB undertakes continuous assessment of performance levels based on measured results, testing and inspections.</li> <li>▪ Non-compliances against the ERA's operating licence have been reported for 2022/23 and 2023/24. These relate to non-compliances that were identified during the previous ERA licence audit in 2023.</li> <li>▪ Reports to the Department of Environmental Regulation (DWER) set out the overall results, highlighted and explained the reasons for non-compliances together with details of actions taken for their future mitigation. CKB submits an Annual Report, Annual Compliance Report and an Exceedance Report to DWER.</li> <li>▪ Annual recycled water quality test results for the non-potable supply are provided to the WA Department of Health.</li> <li>▪ Sewer spills to the general environment are reported to the Department of Health.</li> </ul>	A	1
4.4	Service standard (customer service levels etc) are measured and achieved	4	<ul style="list-style-type: none"> <li>• CKB's service standards are set out in the 'Our Measures' section of the Water Utility Services Plan. This sets out the objectives, performance measures and targets for the customer service performance measures.</li> <li>• The Water Utility Services Plan has customer-focused service standards for new connections, charges, recycled water supply, complaints and sewer blockages.</li> <li>• General service standards related to the water services are also included in the Water Services Customer Service Charter. The services include in the Customer Charter are aligned to the obligations included in the legislation set out in the ERA's operating licence.</li> <li>• CKB's annual compliance reports for the review period to the ERA confirm a high level of service against the customer service-related obligations. CKB includes details of non-compliances in its annual compliance report to the ERA, together with the reasons for non-compliance and proposed mitigation methods.</li> </ul>	A	1



## Audit and review report

### Asset management review

Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
5	Asset operations		Asset operations is the day-to- day running of assets (where the asset is used for its intended purpose).	A	1
5.1	Operational policies and procedures are documented and linked to service levels required	2	<ul style="list-style-type: none"> <li>• CKB has documented operational policies and procedures that are linked to service levels required.</li> <li>• CKB has an overall Council Asset Management Policy (CORP-AP-003) which provides a broad framework for the whole lifecycle, including asset operations.</li> <li>• The Water Services Asset Management Plan also provides an outline of the CKB's overall objectives in its provision of the water services and how these link to Council's key corporate planning documents.</li> <li>• Operational procedures are documented in appendices of the Water Services Quality Management Plan. <ul style="list-style-type: none"> <li>– Appendix DD – Standard Operating Procedures (SOP) Manual</li> <li>– Appendix EE - Reticulation System Technical Manual v0.1 in, which provide the details for the SCADA system used to operate the recycled water scheme.</li> <li>– Appendix GG - Reticulation System Operator Manual for CKB's recycled water scheme.</li> </ul> </li> </ul>	A	1
5.2	Risk management is applied to prioritise operations tasks	4	<ul style="list-style-type: none"> <li>• CKB's Risk Management Framework is included in Section 6.7 of the AMP. The risk profiles for CKB's wastewater services identify the consequences for categories of General, Financial, Safety, Environment, Employees, Performance, Technical Complexity and Public Image &amp; Reputation.</li> <li>• CKB's Water Services Risk Assessment is included in Appendix 2 of the AMP.</li> <li>• The key mitigation strategies to minimise operational risks are the operational SOPs included in CKB's SOP Manual and in the appendices included in Water Services Quality Management Plan (e.g., the operating manuals for the WWTP and the recycled water scheme).</li> </ul>	A	1
5.3	Assets are documented in an Asset Register including asset type, location, material, plans of components, an assessment of assets' physical/structural condition	2	<ul style="list-style-type: none"> <li>• CKB has been using RAMM as its operational asset register. There is also a financial asset register in Altus. There is linkage from the RAMM system to the financial system through inclusion of financial system asset codes.</li> <li>• The register in RAMM includes asset material, type, location, condition, inspection date and a record of previous faults and un-planned maintenance.</li> </ul>	A	1



**Audit and review report**  
 Asset management review

Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
5.4	Accounting data is documented for assets	2	<ul style="list-style-type: none"> <li>Accounting data is documented for CKB's sewerage and recycled water assets.</li> <li>CKB has a financial asset register in Altus. There is linkage from the RAMM system to the financial system through inclusion of financial system asset codes.</li> </ul>	A	1
5.5	Operational costs are measured and monitored	4	<ul style="list-style-type: none"> <li>Invoices from maintenance contractors are received monthly and tracked against work required to be completed. Energy bills and other invoices go through the City's corporate system and are forwarded to the Water Services Coordinator for sign-off. All costs are recorded against the ongoing annual operations budget in CKB's Altus financial system.</li> <li>The annual operational budget is developed by the Coordinator Water Services with input from other members of the department.</li> <li>Projected operations and maintenance expenditure out to 2057/58 is set out in CKB's Water Services Long-term Financial Plan. This shows the forecast operating expenditure as being relatively stable across the period.</li> <li>Financial/accounting costs associated with the assets are recorded in CKB's corporate finance system.</li> <li>Actual expenditure on pipe renewals is used to update the replacement cost for those assets.</li> <li>The Altus finance system is dashboard-based and presents the cost data graphically and summarises the spend. Tabs within the system show the purchase orders and invoices booked against the Water Services account codes.</li> </ul>	A	1



## Audit and review report

### Asset management review

Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
5.6	Staff resources are adequate, and staff receive training commensurate with their responsibilities	2	<ul style="list-style-type: none"> <li>Field staff are trained to meet their position responsibilities. This is predominantly carried out through on-the-job training.</li> <li>Section 4 of the Water Services SOP Manual sets out the Water Technical Officer requirements.</li> <li>Training requirements are typically identified through the annual staff performance review process, although CKB has not conducted these reviews recently.</li> <li>Specialist training (e.g., breathing apparatus) is arranged within the department and the information forwarded to the HR department to record.</li> <li>CKB's Water Services staff have undertaken chlorine handling safety training and breathing apparatus training.</li> <li>CKB does not carry out confined space training for its staff as activities requiring confined space work are outsourced to external contractors when required.</li> <li>CKB outsource O&amp;M activities to speciality contractors when required to minimise any impacts of resourcing with the Water Services department.</li> </ul>	A	1
6	Asset maintenance Asset maintenance is the upkeep of assets.			B	2
6.1	Maintenance policies and procedures are documented and linked to service levels required	4	<ul style="list-style-type: none"> <li>Refer to previous section for details of CKB's O&amp;M policies and procedures.</li> <li>Planned and unplanned maintenance is carried out by external contractors for the sewer network, pumping stations, WWTP and the re-cycled water systems.</li> <li>Examples of the service contracts and maintenance schedules were observed during the review.</li> </ul>	A	1



**Audit and review report**  
 Asset management review

Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
6.2	Regular inspections are undertaken of asset performance and condition	2	<ul style="list-style-type: none"> <li>• CKB has maintenance schedules and procedures, and these are provided to CKB's electrical, maintenance and plumbing contractors.</li> <li>• CKB has a contract with a pipe jetting plumber that provides CKB with a dedicated crew that works in business hours and who are also available on call during out of hours. CKB develops its jetting program each quarter and this is recorded in RAMM. Feedback from field work is used to adjust the program and the frequency of jetting in areas within the sewer network where there are regular issues. The history for the sections jetted is recorded against the assets in RAMM.</li> <li>• CKB also uses the findings from the jetting program to develop its own informal CCTV work that it carries out using its own small camera rig.</li> <li>• CKB has a formal CCTV program that is contracted out. The program is based on pipe criticality and where there are historical/ongoing issues in the network.</li> <li>• CKB has a separate program of access chamber inspections. The program is set up in RAMM to inspect where the asset condition is recorded in the system as "Unknown". Photos taken during the inspection are recorded in RAMM against the asset and examples were view during the review. CKB also uses the access chamber inspections to develop jetting works tasks if tree roots or fat deposits are found during the inspection. CKB has purchased access chamber lids for next year's replacement program based on the results of its inspections during the current year.</li> <li>• Daily inspections are also undertaken at CKB's recycled water facilities.</li> </ul>	A	1



## Audit and review report

### Asset management review

Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
6.3	Maintenance plans (emergency, corrective and preventative) are documented and completed on schedule	2	<ul style="list-style-type: none"> <li>CKB has included a section for its Operations and Maintenance Schedules and Programs in Section 6.4 of the AMP. This includes the details for the overall programs covering the sewer network assets, the South Boulder WWTP and the recycled water assets.</li> <li>Some planned maintenance tasks (such as sewer jetting) are set up in RAMM. The system is also used to record the findings and work details for emergency or corrective maintenance against the relevant asset.</li> <li>Daily and monthly inspections tasks for pump stations are documented on checklists which are on display at the pump station. A logbook is used on site to record completed of the checklist. This could be improved by using RAMM to generate work orders.</li> <li>Emergency and contingency plans are included in the Water Services SOP Manual for sewer main overflows, sewer main blockages, alarms, power failure, WWTP faults and emergencies.</li> <li>Maintenance Plans related to the recycled water assets are included in the Water Services Quality Management Plan. This includes the Operational and Maintenance Manual of the Recycled Water Scheme in Appendix P of the Plan.</li> <li>Planned maintenance is specified in CKB's maintenance contracts with its external contractors. Rates are included for unplanned maintenance works.</li> </ul>	B	2
6.4	Failures are analysed and operational / maintenance plans adjusted where necessary	4	<ul style="list-style-type: none"> <li>Asset failures of sewer assets are assessed and recorded in RAMM. Maintenance procedures and/or maintenance frequencies are adjusted as necessary.</li> <li>Asset failure analysis is the primary tool used by CKB to develop its inspection, maintenance and renewals programs. Sewer blockages and overflows are investigated and rectified, with field data, jetting work and CCTV inspections used to program maintenance and pipe renewals where applicable.</li> <li>Improvement could be made by capturing failures of the recycled water network and WWTP in RAMM.</li> </ul>	B	2
6.5	Risk management is applied to prioritise maintenance tasks	4	<ul style="list-style-type: none"> <li>Refer to previous section for details of risk management applied to operations and maintenance activities.</li> </ul>	A	1



## Audit and review report

### Asset management review

Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
6.6	Maintenance costs are measured and monitored	5	<ul style="list-style-type: none"> <li>Mechanical, electrical and plumbing companies under contract to CKB undertake the maintenance on the sewer, WWTP and recycled water assets.</li> <li>Sewer maintenance is signed off and recorded by the on-call officer. The Mechanical and Electrical contractors at the WWTP submit their accounts to CKB for discussion and approval for payment.</li> <li>Scheduled and reactive maintenance is recorded and costed in Altus.</li> <li>At present, the starting point for the maintenance budget for the sewer network is based on the previous year's expenditure for jetting and blockages. Renewals expenditure forecasts are already captured in the budget.</li> <li>Actual O&amp;M expenditure vs budget is regularly reviewed. A monthly report is produced from the finance system and is reviewed by the Coordinator Water Services. A quarterly report is also produced by the finance system for review. Altus has a dashboard interface that presents the data graphically and summarises the spend, with tabs in the dashboard showing the different purchase orders booked against the Water Services account codes. The Altus system means that the expenditure can be reviewed by the Water Services Coordinator on an ongoing basis more easily than before.</li> </ul>	A	1
7	Asset management information system An asset management information system is a combination of processes, data and software supporting the asset management functions.			A	1
7.1	Adequate system documentation for users and IT operators	3	<ul style="list-style-type: none"> <li>CKB's Water Services asset management information system is consists of: <ul style="list-style-type: none"> <li>Thinkproject RAMM – the asset register and works management system</li> <li>Altus – the finance system</li> <li>WaterTrax – a utilities-tailored database for storing and reporting process data. CKB uses WaterTrax to record its flow data and water quality test results. The system has <ul style="list-style-type: none"> <li>Intra-maps - a GIS package which contains maps and relevant data related to the services and administrative factors on individual lots</li> <li>CiAnywhere – CKB's corporate document management system</li> <li>SkyTrust – CKB's safety and compliance management system. This is used for incident management and hazard reporting CKB's work crews also use hard copy pocketbooks for job safety assessments in the field.</li> </ul> </li> </ul> </li> <li>RAMM has instruction manual but has also has in-built training and there are YouTube videos on the manufacturer's site for carrying out different tasks.</li> <li>Manuals and other documentation are maintained for the City's corporate systems.</li> </ul>	A	1



## Audit and review report

### Asset management review

Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
7.2	Input controls include suitable verification and validation of data entered into the system	4	<ul style="list-style-type: none"> <li>Data is only generally verified and validated on input, although ad hoc reporting is used to identify and rectify any errors in the input information.</li> <li>Asset classes in RAMM are set-up with pre-sets, e.g., pipe diameters, to minimise free text errors being recorded.</li> <li>WaterTrax is set-up with limits for the water quality data to identify any errors in the inputs. System reports are automatically generated when out-of-range parameters are recorded.</li> <li>Flowmeter data is input into WaterTrax via SCADA, which minimises input errors.</li> </ul>	B	2
7.3	Security access controls appear adequate, such as passwords	4	<ul style="list-style-type: none"> <li>Access to areas of CKB's asset management information system are restricted to staff in specific operational areas and individual responsibility.</li> <li>CKB uses RAMM for its roads assets as well as its water assets. Write access to the water assets module is limited to the appropriate Water Services staff.</li> <li>Access to WaterTrax is also restricted to the appropriate CKB staff.</li> <li>RAMM and WaterTrax are both cloud-based systems and passwords are needed to access the system.</li> <li>Other CKB corporate systems also required user login.</li> </ul>	A	1
7.4	Physical security access controls appear adequate	4	<ul style="list-style-type: none"> <li>Physical security access controls are adequate. Entry to the WWTP is controlled through swipe card access and the plant has CCTV monitoring at the entrance gate and also at some processes within the site primarily for remote process monitoring. The WWTP building is locked out-of-hours.</li> <li>All pump stations are locked and require PR1 keys to access. These are the highest access keys and restrict access to works supervisors.</li> <li>CKB uses a lock out/tag out system for other assets to restrict assets. Colour coded keys and locks are used to limit access.</li> <li>The server in the Council office is kept in a locked room accessible only by CKB's IT staff. The office building is locked outside business hours.</li> </ul>	A	1
7.5	Data backup procedures appear adequate, and backups are tested	4	<ul style="list-style-type: none"> <li>RAMM and WaterTrax are cloud-based systems and CKB pays a subscription fee to use these software packages that also includes back-up to the cloud.</li> <li>Dual daily backups are undertaken to both the office server and externally to CKB's cloud storage.</li> <li>CKB's IT back-ups also include the Citec SCADA data.</li> </ul>	A	1



## Audit and review report

### Asset management review

Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
7.6	Computations for licensee performance reporting are accurate	4	<ul style="list-style-type: none"> <li>Key calculations of licence performance data are consolidated within CKB's asset management systems, particularly RAMM, WaterTrax and the reporting spreadsheet. Refer to Section 7.2 above.</li> <li>WaterTrax has a reporting function that allows templates to be set up for easy reporting, e.g., daily flows in/out of the WWTP, volumes discharged, volumes transferred to storage. These reports can be run at any time to report on data up to the previous day. CKB has developed these reports primarily for operational purposes, but they are also aligned with the external reporting requirements, e.g., National Performance Report data.</li> </ul>	A	1
7.7	Management reports appear adequate for the licensee to monitor licence obligations	4	<ul style="list-style-type: none"> <li>There is no regular internal management reporting related to the water services systems. Licence obligations are continually monitored by the Water Services Coordinator but generally only reported upwards in Council when issues are experienced.</li> <li>Performance standards are reported to the ERA annually, but CKB does not have a formal regular internal reporting of performance to management or to Council.</li> <li>Performance targets and standards are not included in CKB's public Annual Report.</li> <li>Sewer spills to the general environment are reported to the Department of Health. Spills to creek are reported to DWER if they occur. CKB uses RAMM to record overflows against the asset and this data is exported to Excel for analysis and reporting.</li> <li>CKB reports on the compliance of its recycled water scheme to the Department of Health on an annual basis.</li> <li>RAMM used to record events so records overflows at a pipe and exported to Excel for reporting/analysis.</li> </ul>	A	1
7.8	Adequate measures to protect asset management data from unauthorised access or theft by persons outside the organisation	4	<ul style="list-style-type: none"> <li>As noted above, access to CKB's system is by password only. Access to various areas of the Water Services asset management systems is also limited to nominated members of staff.</li> </ul>	A	1



## Audit and review report

### Asset management review

Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
8	Risk management		Risk management involves the identification of risks and their management within an acceptable level of risk.	B	2
8.1	Risk management policies and procedures exist and are being applied to minimise internal and external risks	3	<ul style="list-style-type: none"> <li>• CKB has a corporate Risk Policy (EXEC-CEO-014). The policy sets out:               <ul style="list-style-type: none"> <li>– Objectives of the policy</li> <li>– Provides a policy statement, including that “It is the City’s policy to achieve best practice (aligned with AS/NZS ISO 31000:2018 Risk management – Guidelines), in the management of all risks that may affect the City meeting its objectives.”</li> <li>– Policy details</li> <li>– Key policy definitions</li> <li>– Roles and responsibilities</li> <li>– Risk assessment and acceptance criteria</li> <li>– Monitor and review process</li> </ul> </li> <li>• The Water Services department risk management is aligned to the corporate policy.</li> <li>• CKB’s Risk Management Framework is included in Section 6.7 of the AMP. The risk profiles for CKB’s wastewater services identify the consequences for categories of General, Financial, Safety, Environment, Employees, Performance, Technical Complexity and Public Image &amp; Reputation.</li> <li>• Risks are assessed in terms of likelihood of occurrence and severity. Severity is assessed at five levels - from insignificant to catastrophic.</li> <li>• CKB’s Water Services Risk Assessment is included in Appendix 2 of the AMP.</li> <li>• Risk management related to the recycled water supply are included in the Water Services Quality Management Plan. A separate health risk assessment has been completed for the WWTP and recycled water scheme. This is included in Appendix E of the Water Services Quality Management Plan.</li> </ul>	A	1



## Audit and review report

### Asset management review

Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
8.2	Risks are documented in a risk register and treatment plans are implemented and monitored	2	<ul style="list-style-type: none"> <li>• CKB's Water Services Risk Assessment is included in Appendix 2 of the AMP.</li> <li>• Likelihood scores are used to assign inherent risk scores to each element in the assessment. The adequacies of existing controls are also assigned, and risk mitigation and minimisation strategies listed against each identified risk.</li> <li>• CKB's comprehensive risk assessment has assessed fifty risks. For each risk included, CKB has used its risk framework to provides an assessment of the initial risk together with mitigation procedures (intended or in place) followed by an adjusted risk based on the mitigation implemented.</li> <li>• We consider that the assessment is adequate although we note that some risks are identified in terms of general events rather than by a specific cause. For example, 'Pump fail' has been assessed as an overall event rather than as a specific event such as the failure being caused by a power failure, asset failure, SCADA failure or a blockage.</li> <li>• As noted above, risk management related to the non-potable water supply is included in the Water Services Water Quality Management Plan. The Health Risk Assessment is included in Appendix E of the document.</li> </ul>	B	2
8.3	The probability and consequence of risk failure are regularly assessed	2	<ul style="list-style-type: none"> <li>• The Water Services AMP states that formal risk assessment of the Water Services Operations is undertaken annually.</li> <li>• We were provided with a copy of CKB's Excel based risk register (ECM_3244208_v3) which suggest that reviews are taking place, but were not able to determine the date or the frequency of the reviews.</li> <li>• We consider that regular assessment should occur at least quarterly.</li> <li>• At audit CKB did not provide evidence of regular assessments.</li> </ul>	B	2



**Audit and review report**  
Asset management review

Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
9	Contingency planning Contingency plans document the steps to deal with the unexpected failure of an asset.			A	1
9.1	Contingency plans are documented, understood and tested to confirm their operability and to cover higher risks	1	<ul style="list-style-type: none"> <li>• CKB's contingency planning for its water services is provided in Section 6.8 of the AMP. Table 6.8 outlines the contingency plan actions for various failure scenarios.</li> <li>• Emergency and contingency plans are included in the Water Services SOP Manual for sewer main overflows, sewer main blockages, alarms, power failure, WWTP faults and emergencies.</li> <li>• The Incident Management Plan for the non-potable water supply is included in Appendix L of the Water Services Quality Management Plan. This sets out the contents, including incident classification, notification processes, emergency response and communications, containment and remediation procedures and incident cause and investigation procedures.</li> <li>• CKB's contingency plans themselves are not specifically tested via emergency incident scenario exercises but are considered to be tested under normal operating conditions. Given CKB's asset base and the services providers, we consider that this is sufficient.</li> <li>• The Throssell Street SPS, the larger of CKB's two SPSs has a capacity of approximately 6 hours during dry conditions and 3 hours during wet weather so there is sufficient time to plan for mitigation in any incident. Eductor trucks can be called on during any emergencies if required. Alternatively, the wet well could be over-pumped to the access chamber that the pump station discharges to.</li> <li>• CKB also has an emergency portable generator that can be used to manage issues in the piped network.</li> </ul>	A	1



## Audit and review report

### Asset management review

Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
10	Financial planning Financial brings together the financial elements of the service delivery to ensure its financial viability over the long term.			B	2
10.1	The financial plan states the financial objectives and identifies strategies and actions to achieve those	4	<ul style="list-style-type: none"> <li>• Financial planning is carried out in accordance with the requirements of the <i>Local Government Act</i>. The overall responsibility for financial planning lies with the Financial Services department within the Council.</li> <li>• CKB undertakes its financial planning for its sewerage service in accordance with the City's Integrated Planning Framework used to develop a ten-year Corporate Business Plan. The Corporate Business Plan provide the detailed implementation outline for services, key projects, capital investment and areas of advocacy over the next four financial years.</li> <li>• CKB has a number of policies that relate to financial management, including the Investment Policy, Accounting Policy and Purchasing Policy. The Accounting Policy provides the overall framework for the financial management of CKB.</li> <li>• CKB has a published their Long-term Financial Plan (LTFP) 2024 to 2034 on their website.</li> <li>• The Water Services Long Term Financial Plan is an Excel based plan which forecasts water services revenue and expenses to 2057/58. The plan covers both the re-cycled water and sewerage systems. The financial projections take into consideration income, operational and capital expenditure.</li> <li>▪ CKB's Financial Planning is set out in Section 7 of the AMP. This section summarises the LTFMP, the budgeting process and the tasks that still need to be completed on the financial model.</li> <li>▪ We note that the AMP does not include any financial projections and the LTFP is only referenced.</li> <li>▪ The AMP could be improved by including a summary of the financial forecast from the LTFP.</li> </ul>	B	2



**Audit and review report**  
 Asset management review

Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
10.2	The financial plan identifies the source of funds for capital expenditure and recurrent costs	2	<ul style="list-style-type: none"> <li>• CKB's funding strategy is included in Section 1.4 the AMP. The AMP states that "<i>There is sufficient funding to provide the Water Services Assets Classes service levels identified in the Water Utility Services Plan. Expansion of the assets will be reviewed in business case scenarios.</i>"</li> <li>• CKB's LTFP clearly sets out the source of funds for each year.</li> <li>• The financial plan also includes lines for Grant Funding and Reserve Account. Council Municipal Funds have been assumed for funding the capital revenue in each year through to 2034.</li> <li>• It was proposed that the Water Services department finances are ring-fenced from the rest of Council, which would mean that the revenue would stay within the department for funding, rather than all the dividends being paid to Council.</li> </ul>	A	1
10.3	The financial plan provides projections of operating statements (profit and loss) and statement of financial position (balance sheets)	4	<ul style="list-style-type: none"> <li>• CKB's Long Term Financial Plan provides a whole of Council plan inclusive of water services.</li> <li>• The plan includes:               <ul style="list-style-type: none"> <li>– Forecast Statement of Comprehensive Income</li> <li>– Forecast Statement of Financial Position</li> <li>– Forecast Statement of Funding</li> <li>– Forecast Statement of Cashflows</li> <li>– Forecast Statement of Changes in Equity</li> </ul> </li> </ul>	A	1
10.4	The financial plan provides firm predictions on income for the next five years and reasonable indicative predictions beyond this period	4	<ul style="list-style-type: none"> <li>• The financial plan provides reasonable indicative projections for income for the twenty-years period to 2039/40. The projections for the first five years of the Plan are considered to be firmer, although these will be heavily impacted by the ability to supply the forecasted recycled water volumes. The recycled water sales make up approximately 20% of CKB's annual revenue forecasts. The income from sewer rates, pedestal charges and third-party waste tankered to the South Boulder WWTP is considered reasonably fixed and reliable as sources of revenue.</li> <li>• The Financial Plan is reviewed twice a year as part of CKB's overall budgeting process and is amended if assumed financial and other factors change into the future.</li> </ul>	A	1



## Audit and review report

### Asset management review

Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
10.5	The financial plan provides for the operations and maintenance, administration and capital expenditure requirements of the services	2	<ul style="list-style-type: none"> <li>▪ CKB's LTFMP identifies the projected operations, maintenance, administration and capital renewal expenditure required to provide water services to the community out to 2039/40.</li> <li>▪ The LTFMP includes operations, maintenance and administration expenditure forecasts</li> <li>• As noted in the above list, the Water Services department are allocated a share of the Council's costs for corporate services such as IT, HR, Payroll, and building costs.</li> <li>• The capital expenditure forecasts include renewals and new works for the sewer network, the WWTP, the recycled water scheme and general capital items (e.g., vehicles and safety equipment).</li> </ul>	A	1
10.6	Large variances in actual/budget income and expenses are identified and corrective action taken where necessary	2	<ul style="list-style-type: none"> <li>• Variances in expenditure are identified and tracked typically for operating expenditure and as needed for capital expenditure. A monthly report is produced from the finance system and is reviewed by the Water Services Coordinator. A quarterly report is also produced by the finance system for review. Where required, corrective action is taken.</li> <li>• The Altus finance system is dashboard-based and presents the cost data graphically and summarises the spend. Tabs within the system show the purchase orders and invoices booked against the Water Services account codes. The Altus system allows the expenditure to be reviewed by the Water Services Coordinator on an ongoing basis more easily than before.</li> <li>• The annual budget has a mid-year review, and this allows changes to be made to the Water Services budget for the second half of the financial year.</li> </ul>	A	1
11	<p>Capital expenditure planning</p> <p>The capital expenditure plan provides a schedule of new works, rehabilitation and replacement works, together with estimated annual expenditure for these works over the next five or more years. Since capital investments tend to be large and lumpy, projections would normally be expected to cover at least 10 years, preferably longer. Projections over the next five years would usually be based on firm estimates.</p>			B	2



## Audit and review report

### Asset management review

Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
11.1	There is a capital expenditure plan covering works to be undertaken, actions proposed, responsibilities and dates	4	<ul style="list-style-type: none"> <li>CKB has a Water Utility Services Strategy and Capital Works Program 2019-2024 which sets the broad strategy and management framework for the delivery of the City's water services. <ul style="list-style-type: none"> <li>An updated version for years 2024+ could not be located.</li> </ul> </li> <li>CKB's Long Term Financial Plan includes its predicted capital expenditure out to 2033/34. The forecasts for the next four years are considered to be firm, with more work required in the future to confirm the projects that need to be completed in the outer years.</li> <li>Capital expenditure items are derived from assessment of the current performance and forthcoming requirements of existing assets and lifetime replacement timing contained in the asset attribute data recorded in RAMM.</li> <li>Business Cases for new capital assets are submitted through CKB's budgeting process for review and approval. Candidate proposals are assessed to verify the need and to develop a preliminary renewal estimate.</li> <li>CKB engages an external consultant to prepare demand forecasts, current and future capacity requirements, and options analysis for capital solutions. CKB has used the findings and recommendations included in these consultant reports to prepare issues papers to Council for approval, adoption of projects and inclusion in Council's overall budgets.</li> <li>During the review period, CKB has constructed a new pumping station at Swan Lakes and a supply pipeline to transfer recycled water to a new major non-residential customer. The Water Services department prepared an issues paper for this project that was presented to Council for approval and inclusion in the City's budget.</li> <li>Through the external consultant reports, CKB has identified that more non-potable water storage is needed. CKB has also identified potential additional stormwater capture projects, and these will be assessed on individual business cases to determine future capital requirements and best commercial outcomes for the City.</li> <li>These new recycled water and stormwater projects have been included in CKB's capital program with indicative costs and estimated timeframes.</li> </ul>	B	2
11.2	The capital expenditure plan provides reasons for capital expenditure and timing of expenditure	2	<ul style="list-style-type: none"> <li>References to the consulting reports that support the capital projects that CKB has developed are included in Section 3.0 of the AMP.</li> <li>The capital expenditure plan provides reasons for capital expenditure and timing of expenditure for each project.</li> <li>The capital expenditure forecasts for the next five years are considered to be relatively firm, with the forecast expenditure in the outer years generally being for asset renewals on cyclic programs.</li> </ul>	A	1



**Audit and review report**  
 Asset management review

Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
11.3	The capital expenditure plan is consistent with the asset life and condition identified in the asset management plan	4	<ul style="list-style-type: none"> <li>The capital expenditure planning is consistent with asset lives. The asset lives are captured in RAMM against each asset and form the basis of the future works program.</li> <li>Renewals projects typically have a condition inspection phase followed by developing the asset renewals to be included in the next year program or spread over multiple years. Therefore, more accurate renewals capital expenditure is determined by the condition assessment project at the start of the project. This process particularly applies to CKB's sewer network renewals for pipework and access chambers. CKB has includes a fixed amount for sewer network renewals in each year from 2024/25 onwards but has included higher estimates in the budgets for the next couple of years based on the condition data it has collected.</li> <li>CKB does not use deterioration models or renewals planning models. However, given the fairly small size of the asset base, models like these are unlikely to greatly improve the renewals planning process.</li> </ul>	A	1
11.4	There is an adequate process to ensure that the capital expenditure plan is regularly updated and implemented	4	<ul style="list-style-type: none"> <li>The capital works program for the year is submitted to Council annually.</li> <li>The capital works budget submitted for review and approval includes a justification for the proposed expenditure and details of the previous spend for each item.</li> <li>The overall capital expenditure plan is updated as part of the budget process and more frequently if required by operational or management circumstances.</li> <li>The annual budget has a mid-year review, and this allows changes to be made to the Water Services capital budget for the second half of the financial year.</li> <li>The estimates for CKB's pipe renewals are based on the historical cost of replacements and refined in the budgeting process to identify the extent of the work that needs to be carried out and included in the budget for the next year</li> <li>Asset condition recorded in the field during inspections and repair work is recorded against the asset attributes in RAMM. This updated data is used to develop the asset renewals included in the capital plan.</li> <li>Reports of budgeted and current expenditure are prepared and circulated monthly. Unexpected or over budget expenditure is highlighted for explanation by the appropriate division.</li> <li>The Altus finance system is dashboard-based and presents the cost data graphically and summarises the spend. Tabs within the system show the purchase orders and invoices booked against the Water Services account codes. The new Altus system means that the expenditure can be reviewed by the Water Services Coordinator on an ongoing basis more easily than before.</li> </ul>	A	1



## Audit and review report

### Asset management review

Ref no	Asset Management Process or Effectiveness Criteria	Review priority	Observations and recommendations	Process and policy rating	Performance rating
12	Review of AMS The asset management system is regularly reviewed and updated.			B	2
12.1	A review process is in place to ensure the asset management plan and the asset management system described in it remain current	2	<ul style="list-style-type: none"> <li>• The key artifacts of the asset management system are: <ul style="list-style-type: none"> <li>– Asset Management Policy (Adopted 27/3/2023)</li> <li>– 2023-2028 Asset Management Strategy (May 2023 Version 2.0)</li> <li>– Asset Management Steering Committee Charter (31/7/2024 version 2)</li> <li>– Water Services Asset Management Plan December 2022 (27/1/2023 Version 4)</li> <li>– Water Utility Services Plan - December 2022 (4/1/2023 Version 3)</li> <li>– Long Term Financial Plan 2024-2034 (no date/version)</li> <li>– Water Utility Services Strategy and Capital Works Program 2019-2024</li> </ul> </li> <li>• According to stated review cycles, the Asset Management Plan was due for review in March 2024</li> <li>• An updated Water Utility Services Strategy and Capital Works Program for years 2024+ could not be located.</li> <li>• We were not able to confirm the existence of any formal review process to ensure that the asset management system remains current.</li> <li>• The Asset Management Steering Committee (AMSC) has responsibility for annual review and reporting on progress on asset management improvement plan (AMIP) to achieve target levels of asset management maturity.</li> <li>• Although CKB's asset management system is reasonably current, it is our view that some improvement is needed.</li> </ul>	B	2
12.2	Independent reviews (e.g., internal audit) are performed of the asset management system	2	<ul style="list-style-type: none"> <li>• We were unable to confirm the existence of any independent review of the asset management system.</li> </ul>	B	2



## 4.7 Review recommendations

Under Section 5.1.8 of the ERA's 2019 Audit and Review Guidelines - Water Licences, recommendations on actions the licensee should take to address when an asset management process or effectiveness criteria are required to be included for:

- Performance rating – Asset management processes or effectiveness criteria that were rated 3 or 4.
- Process and policy rating – Asset management processes or effectiveness criteria that were rated C or D.

<b>A. Resolved during current audit period</b>			
<b>Ref.</b>	<b>Asset System Deficiency (Rating / Asset Management System Component &amp; Effectiveness Criteria / Details of Asset System Deficiency)</b>	<b>Date Resolved (&amp; management action taken)</b>	<b>Auditor's Comments</b>
N/A	N/A	N/A	N/A

<b>B. Unresolved at end of current Audit period</b>			
<b>Reference (no./year)</b>	<b>Asset System Deficiency (Rating / Asset Management System Component &amp; Effectiveness Criteria / Details of Asset System Deficiency)</b>	<b>Auditor's recommendation</b>	<b>Management action taken by end of Audit Period</b>
R1/2024	<b>Criteria 1.9 (C3)</b> Plans are regularly reviewed and updated	Review, improve and update the Water Services Asset Management Plan. Ensure that review cycles are defined for elements of the asset management system and that reviews are completed on time.	



**Audit and review report**

5 Confirmation of the audit and review

## 5 Confirmation of the audit and review

I confirm that the audit/review carried out at the City of Kalgoorlie-Boulder on 10 to 12 February 2025 and recorded in this report is an accurate presentation of our findings and opinions.



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Patrick Lamb

Stantec Pty Ltd

52 Merrivale Street

South Brisbane QLD 4101

16 May 2025



# Appendices



## Appendix A Risk management framework

### A.1 Risk assessment rating scales

The consequence, likelihood, inherent risk and adequacy of internal controls are assessed using a 3-point rating scale as described below. The rating scale is as per the 2019 Audit and Review Guidelines: Water Licences, (Economic Regulation Authority) [August 2022].

### A.2 Consequence rating

The consequence rating scale is outlined below as per the Water Compliance Reporting Manual, 2021 and 2024.

Rating (Type)	Classification of non-compliance	Criteria for classification
1	Major	<ul style="list-style-type: none"> <li>The consequences of non-compliance will cause major damage, loss or disruption to customers.</li> <li>or</li> <li>The consequences of non-compliance will endanger or threaten to endanger the safety or health of a person.</li> </ul>
2	Moderate	<ul style="list-style-type: none"> <li>The consequences of non-compliance will affect the efficiency and effectiveness of the licensee's operations or service provision, but will not cause major damage, loss or disruption to customers.</li> <li>or</li> <li>The regulatory obligation is not otherwise classified as Type 1 or Type NR non-compliance.</li> </ul> <p>Reclassification of Type 2 to Type 1 may occur in circumstances of systemic non-compliance.</p>
NR (not reportable)	Minor	<ul style="list-style-type: none"> <li>The consequences of non-compliance are relatively minor – i.e. non-compliance will have minimal effect on the licensee's operations or service provision, and will not cause damage, loss or disruption to customers.</li> <li>Compliance with the obligation is immeasurable.</li> <li>The non-compliance is required to be reported to the Regulator under another instrument, guideline or code.</li> <li>The non-compliance is identified by a party other than the licensee.</li> <li>or</li> <li>The licensee only needs to use its reasonable endeavours or best endeavours to achieve compliance, or the obligation does not otherwise impose a firm obligation on the licensee.</li> </ul> <p>Reclassification of Type NR to Type 2 may occur in circumstances of:</p> <ul style="list-style-type: none"> <li>systemic non-compliance</li> <li>or</li> <li>a failure to resolve non-compliance promptly.</li> </ul>



### A.3 Likelihood ratings

The likelihood rating scale is described below.

	Level	Description
A	Likely	Non-compliance is expected to occur at least once or twice a year
B	Probable	Non-compliance is expected to occur once every three years
C	Unlikely	Non-compliance is expected to occur once every 10 years or longer

### A.4 Inherent risk assessment rating and description

The inherent risk rating is based on the combined consequence and likelihood rating. The inherent risk assessment rating scale and descriptions are outlined below.

Likelihood	Consequence		
	Minor	Moderate	Major
Likely	Medium	High	High
Probable	Low	Medium	High
Unlikely	Low	Medium	High

Level	Description
High	Likely to cause major damage, disruption or breach of licence obligations
Medium	Unlikely to cause major damage but may threaten the efficiency and effectiveness of service
Low	Unlikely to occur and consequences are relatively minor

### A.5 Adequacy ratings for existing controls

The adequacy of existing internal controls is also assessed based on a 3-point scale as indicated below.

Level	Description
Strong	Controls that mitigate the identified risks to an appropriate level
Moderate	Controls that only cover significant risks; improvement required
Weak	Controls are weak or non-existent and have minimal impact on the risks

### A.6 Assessment of audit priority

The assessment of audit priority is used to determine the audit objectives, the nature of audit testing and the extent of audit testing required. It combines the inherent risk and risk control adequacy rating to determine the priority level.



## Audit and review report

### Appendix A Risk management framework

Inherent Risk	Preliminary adequacy of existing controls		
	Weak	Medium	Strong
High	Audit Priority 1	Audit Priority 2	
Medium	Audit Priority 3	Audit Priority 4	
Low	Audit Priority 5		



## Appendix B Rating scale definitions

### B.1 Licence condition compliance rating scales

This report adopts the compliance rating scales, set out in Table 6 of the 2019 Audit and Review Guidelines - Water Licences (August 2022), to assess the licensee's compliance against each licence condition. The rating scale and description of compliance is reproduced below.

*Table 15: Compliance and controls rating scales (audits)*

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 effect on customers or third parties
C	Inadequate controls – significant improvement required	3	Non-compliant – moderate effect on customers or third parties
D	No controls evident	4	Non-compliant – major effect on customers or third parties
N/P	Not performed – A controls rating was not required	N/R	Not rated – No activity took place during the audit period

### B.2 Asset management system effectiveness rating scales

This report adopts the process and policy, and performance rating scales, set out in Tables 9 and 10 of the 2019 Audit and Review Guidelines - Water Licences (August 2022), to assess the effectiveness of the asset management system. The rating scales are reproduced below.

*Table 16: Process and policy rating scale (reviews)*

Rating	Description	Criteria
A	Adequately defined	<ul style="list-style-type: none"> <li>Processes and policies are documented.</li> <li>Processes and policies adequately document the required performance of the assets.</li> <li>Processes and policies are subject to regular reviews, and updated where necessary.</li> <li>The asset management information system(s) are adequate in relation to the assets being managed.</li> </ul>
B	Requires some improvement	<ul style="list-style-type: none"> <li>Processes and policies require improvement.</li> <li>Processes and policies do not adequately document the required performance of the assets.</li> <li>Reviews of processes and policies are not conducted regularly enough.</li> <li>The asset management information system(s) requires minor improvements (taking into consideration the assets being managed).</li> </ul>
C	Requires substantial improvement	<ul style="list-style-type: none"> <li>Processes and policies are incomplete or require substantial improvement.</li> <li>Processes and policies do not document the required performance of the assets.</li> </ul>



**Audit and review report**  
Appendix B Rating scale definitions

Rating	Description	Criteria
		<ul style="list-style-type: none"> <li>Processes and policies are considerably out of date.</li> <li>The asset management information system(s) requires substantial improvements (taking into consideration the assets being managed).</li> </ul>
D	Inadequate	<ul style="list-style-type: none"> <li>Processes and policies are not documented.</li> <li>The asset management information system(s) is not fit for purpose (taking into consideration the assets being managed).</li> </ul>

Table 17: Performance rating scale (reviews)

Rating	Description	Criteria
1	Performing effectively	<ul style="list-style-type: none"> <li>The performance of the process meets or exceeds the required levels of performance.</li> <li>Process effectiveness is regularly assessed, and corrective action taken where necessary.</li> </ul>
2	Opportunity for improvement	<ul style="list-style-type: none"> <li>The performance of the process requires some improvement to meet the required level.</li> <li>Process effectiveness reviews are not performed regularly enough.</li> <li>Recommended process improvements are not implemented.</li> </ul>
3	Corrective action required	<ul style="list-style-type: none"> <li>The performance of the process requires substantial improvement to meet the required level.</li> <li>Process effectiveness reviews are performed irregularly, or not at all.</li> <li>Recommended process improvements are not implemented</li> </ul>
4	Serious action required	<ul style="list-style-type: none"> <li>Process is not performed, or the performance is so poor the process is considered to be ineffective.</li> </ul>

Section 2





**With every community, we redefine what's possible.**

Stantec is a global leader in sustainable engineering, architecture, and environmental consulting. The diverse perspectives of our partners and interested parties drive us to think beyond what's previously been done on critical issues like climate change, digital transformation, and future-proofing our cities and infrastructure. We innovate at the intersection of community, creativity, and client relationships to advance communities everywhere, so that together we can redefine what's possible.