

Mr Hugo Harmstorf
Chief Executive Officer
IPART NSW
PO Box K35
HAYMARKET POST SHOP NSW 1240

Dear Mr Harmstorf

I refer to your request for comments from stakeholders on the draft audit guideline for public water utilities. NSW Health appreciates the role of IPART's independent auditors in assessing utilities' compliance with their operating licences and relevant legislation.

NSW Health supports the inclusion of section 2.3 addressing risk to public health. However, references to risks to public health in the draft audit guideline are inconsistent. In most instances, IPART refers to a significant consequence or risk to public health (p5, 6 and 16) with the exception of section 2.3 (p6) which states an immediate risk to public health. NSW Health suggests rewording section 2.3 to be consistent with other references to public health as shown below.

2.3 Significant risk to public health

Where auditors or IPART staff attending an audit identify an issue that may pose a significant risk to public health, IPART will contact NSW Health.

This allows for IPART to refer matters that are potentially significant risks to public health but are unclear. It also ensures that NSW Health is notified of immediate risks rather than waiting until the audit report is finalised.

NSW Health notes that IPART does not require that each element of the water quality management systems frameworks in the *Australian Drinking Water Guidelines* and the *Australian Guidelines for Water Recycling* are assigned an audit grade. However, where an auditor assigns individual element grades, the audit guideline requires the auditor to assign an overall grade which weighs the relative significance of the individual element grades. NSW Health agrees with this position as non-compliance with each element does not carry the same level of risk.

Thank you for the opportunity to contribute to the audit guideline review process. Should officers of IPART require further information, please contact [REDACTED].

Yours sincerely

[REDACTED] 15.18
Dr Ben Scalley
Director, Environmental Health