



Service providers—changing a SAMP and SLMP

The *Water Supply (Safety and Reliability) Act 2008* (the Act) requires service providers to have an approved strategic asset management plan (SAMP) and a system leakage management plan (SLMP) unless an exemption has been granted.

Service providers must comply with the approved SAMP and SLMP when supplying services. SAMPs and SLMPs should evolve to meet any changing operational requirements. A SAMP or SLMP is a forward-looking document which should be monitored to ensure it remains appropriate.

This fact sheet explains when a service provider needs to apply for approval to change a SAMP or SLMP, independently of any other review or audit process that might be imposed as a result of the Act.

The regulator is the Director-General, Department of Natural Resources and Water (NRW).

When changes to a SAMP or SLMP may be required

There are three situations where a SAMP or SLMP may be changed:

- when the service provider obtains the regulator's approval to change the SAMP (s. 76 of the Act) or SLMP (s. 90 of the Act)
- when the regular review indicates the SAMP or SLMP should be changed (s. 107 of the Act)
- when, following a spot audit, the regulator gives an information notice requiring the SAMP or SLMP to be changed (s. 110 of the Act).

Scope of a SAMP

Under s. 71 of the Act, a SAMP is a document prepared by a service provider that must:

- state the registered services to which it applies, i.e. the water and/or sewerage services for which the provider is a registered service provider
- state the infrastructure for supplying those services
- state standards for appropriate levels of service, including customer service, and performance indicators for the service
- include an operation, maintenance and renewal strategy that demonstrates how each standard will be achieved.

A SAMP must also:

- identify the methodology used to develop the service standards, e.g. cost considerations
- state the provider's proposed arrangements for financing the implementation of the SAMP
- consider best practice industry standards for the registered services
- be prepared in accordance with the *Guidelines for preparing strategic asset management plans*, issued by the regulator and available from NRW.

A SAMP may be part of another document if it meets the requirements of s. 71 of the Act.

Scope of a SLMP

A SLMP is a document prepared by a water service provider directed at minimising water losses from leakage from the provider's distribution system. Under s. 80 of the Act, a SLMP must state the following matters:

- the registered services to which it applies
- the infrastructure for providing those services
- details of system leakage and the methodology used to determine the leakage
- details of measures that will reduce leakage from the service provider's distribution system
- a cost benefit analysis for determining which measures to implement
- a plan to implement those reduction measures which are cost-effective to implement
- the proposed financial arrangements for implementing the SLMP including estimated and projected expenditure.

A SLMP may be part of another document as long as it meets the requirements of s. 80 of the Act.

The degree of change requiring notification

The regulator will consider the operating environment of particular service providers when approving changes to a SAMP or SLMP. Changes to plans should be appropriate and affordable. Regular reviews should ensure the SAMP or SLMP remains relevant, considers best practice industry standards, and is appropriate to the operating environment.



Audit reports may indicate a need to change a SAMP or SLMP. If any goals of the approved SAMP/SLMP are not capable of being achieved or need to change for any other reason, the service provider should notify the regulator and request agreement to make the change. A service provider who wishes to supply a new discrete service (e.g. add a sewerage service) will need to prepare a new SAMP and/or SLMP to cover the additional registered service, not just a change to the approved SAMP or SLMP.

Types of changes that would warrant notification include:

- additional infrastructure
- substantial changes to service standards
- a significant variation to funding for works.

If, in the approved SAMP or SLMP, a service provider reported that it did not have particular review strategies in place, but would develop them, the fact that they were developed through the life of the SAMP or SLMP would not require an application for change as this was within the scope of the approved SAMP or SLMP. Changes or developments envisaged in the approved SAMP or SLMP do not require it to be changed as they occur, but they need to be reported as part of the annual or other regular review process.

Preparing a changed SAMP/SLMP

As changes to the SAMP or SLMP under ss. 76 and 90 of the Act must first be agreed to by the regulator, the service provider should write to the regulator, setting out the reasons for change and attaching the proposed changed SAMP or SLMP, for consideration. The proposed changed SAMP or SLMP would be the approved plan with clearly identified changes endorsed. If the changes are capable of being independently compiled in a new part, the new part might be submitted as a stand-alone addendum. If the changes are so extensive that they cannot realistically be identified on the approved plan, it may be necessary to compile a new plan and explain the reason to the regulator. These cases will need assessment and approval as if they were an initial SAMP or SLMP. In some cases, the regulator may impose conditions on agreement, as part of the approval process.

Certification by a registered professional engineer

Under ss. 72 and 81 of the Act, a SAMP and SLMP must be certified as being appropriate for the service provider's infrastructure and registered services, by a registered professional engineer in Queensland (RPEQ) as defined in the *Professional Engineers Act 2002*.

If the SAMP or SLMP is changed in a way specified by the regulator, certification will not be required. Changes as a result of review or audit under ss. 107 and 110 of the Act will require certification and regulator approval.

Further information

Further information can be found in the following service provider fact sheets:

- W99—Strategic asset management plans
- W100—SAMP and SLMP: Review, audit and reporting requirements
- W106—System leakage management plans.

For more information about service provider issues, email the Office of the Water Supply Regulator at: <owsr.enquiries@nrw.qld.gov.au>.

General information regarding Queensland's water industry regulator can be found on the NRW website: <www.nrw.qld.gov.au>.

The Act and related regulations can be obtained from the Queensland Office of Parliamentary Counsel website <www.legislation.qld.gov.au>.

January 2009

W101

For further information phone 13 13 04