Safe Drinking Water Act 2011 - Fact Sheet FAQs for Independent Auditors and Inspectors

From 1 January 2024, fees apply for drinking water audits and inspections carried out by SA Health under the *Safe Drinking Water Act 2011*.

Why has SA Health introduced fees?

Charging fees for regulatory inspections is standard practice and is implemented by SA Health, other Government agencies and local councils for other types of inspections/audits. Some local councils currently charge fees for drinking water audits and inspections. Independent auditors and inspectors also charge for these services. The introduction of fees by SA Health will promote consistency in practices and remove the disincentive for entry of other auditors/inspectors.

How have the fees been calculated?

The 2015 Local Government Association *Safe Drinking Water Act 2011 Routine Audit and Inspection Fee Guidelines* identified \$169 + GST per hour as a reasonable cost for undertaking drinking water audits and inspections. The Guidelines also included a consideration for capping audit/inspection fees, e.g., capped fee of 1 hr for an inspection of a small provider and 2 hours for the audit of a medium provider. The fee schedule being introduced by SA Health is consistent with this approach with indexation applied to the 2015 figure.

How much does SA Health charge for an audit or inspection?

Fees are prescribed under the Safe Drinking Water (Fees) Notice 2023 as published in the SA Government Gazette (Number 91, 2023). Fees are categorised based on classes of drinking water providers ranging from level 1-3. These levels reflect the size and complexity of the provider or water supply. For example, a capped fee of \$209 is charged for audits or inspections of small providers including water carters and small rain and bore water supplies. Fees range from this lower tier to a maximum cost of \$627 for a large/complex supply. A summary of classes of drinking water providers and audit and inspection costs is provided in Table 1.

Do councils charge the same fees?

The fees charged by SA Health do not impact council fee arrangements for drinking water audits/inspections. The Act does not prescribe fees for routine drinking water audits and inspections undertaken by councils. Councils can, however, impose fees and charges for services supplied under section 188 of the *Local Government Act 1999*. Some councils charge for undertaking drinking water audits/inspections while other councils offer this service free of charge.

Does the SA Health fee structure impact on the fees I can charge as an independent auditor/inspector?

The SA Health fee structure does not impact on the fees charged by independent auditors and inspectors. The Act allows for audits and inspections to be undertaken by independent auditors or inspectors that have been approved by SA Health. The Act does not prescribe fees for routine audits and inspections and rates are at the discretion of independent auditors/inspectors. Drinking water providers are encouraged to compare fees for the best



service and cost, as per standard practice for the purchase or provision of other goods and services.

Will the charging of fees by SA Health result in increased business for independent auditors/inspectors?

Drinking water providers will be notified of the relevant fees by SA Health. This may result in some providers enquiring with councils or independent auditors/inspectors about service provision and associated fees. Under the Act, it is the responsibility of the provider to ensure that an audit/inspection is undertaken by an approved auditor/inspector of their choice at the required frequency. A full list of approved auditors/inspectors will continue to be published and updated regularly on the <u>SA Health website</u>.

Will the fees charged by SA Health increase?

Fees will be increased annually based on the Department of Treasury and Finance approved indexation figure. This indexation figure is published in the Government Gazette annually. Fees will be updated on the <u>SA Health website</u> and will be applied from 1 July each year. Providers will be advised of the applicable fee for a drinking water audit or inspection at the time of scheduling with SA Health.



Table 1: Classes of drinking water providers and audit and inspection costs.

CLASSES OF DRINK	ING WATER PROVIDERS	FEE FOR 2023/24
Level 3	 (a) Water carters (b) Small rainwater supplies (c) Small bore water supplies (d) Regulated care premises (e) Education - childcare and preschool (f) Education - primary and secondary schools (g) Regulated food premises (h) Primary producers (excluding dairy) (i) Accommodation and food premises (j) Wineries and restaurants; or (k) On-supply from other drinking water provider where materially altered by treatment or extended storage 	\$209
Level 2	 (a) Desalinated water supplies (b) Bore water with reverse osmosis treatment; or (c) Providers with multiple source waters – rainwater and bore water 	\$418
Level 1	 (a) Drinking water providers greater than 2,000 population; or (b) Surface water supplies – River Murray or Dam 	\$627
Follow up audit or inspection	All providers	\$209

Note: where a drinking water provider aligns with multiple levels, the higher level applies. Example: a winery using a surface water supply (River Murray or Dam) would align to Level 1.

For more information

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