

Appendix B Audit framework

Auditing is intended to strengthen confidence in the accuracy, completeness and reliability of reported information. Auditing promotes transparency and consistency in the process of collecting and reporting data across all water and wastewater service providers, ensuring that performance results are relevant, useful and comparable over time.

The National Water Commission, the Water Services Association of Australia and representative National Water Initiative (NWI) parties established the National Framework for Reporting on Performance of Urban Water Utilities Deed. This deed outlined how parties should report on the performance of urban water service providers in accordance with the NWI. The deed required parties to use all reasonable endeavours to ensure that a comprehensive audit of the data collected under the National Performance Framework is undertaken at least once every three years.

The 2020 NPR Framework Indicator Review has proposed a revised approach to audit for reporting entities. Further details will be clarified in future reporting years. As determined by the NPR Technical Reference Group, auditing was not mandatory for the 2024–25 reporting year under the NPR Framework. However, some jurisdictions maintain their own auditing obligations in addition to any NPR requirements. Table B1 provides a summary of recent updates on jurisdictional auditing status for the 2025 NPR.

Table B1 Status of indicator audits undertaken within each jurisdiction

Jurisdiction	Audit activities
Australian Capital Territory	The most recent audit conducted on the NPR data was for 2020–21, as it was an auditing year. Auditing is usually conducted every three years. The next audit will depend on auditing requirements following the NPR review.
New South Wales	<p>In the New South Wales metropolitan area, IPART has historically audited approximately one third of the NPR indicators annually, as part of the IPART operational audit process. The most recent NPR indicator audit was completed in 2024. The next audit is subject to review of the auditing framework, following the NPR review.</p> <p>In the New South Wales country area, all the reported utilities have had their 2021–22 reported data audited as per the requirements. The next audit will depend on auditing requirements following the NPR review.</p>
Northern Territory	The Department of Treasury and Finance has not required the licensed utility, Power and Water Corporation, to audit their NPR data. Some NPR indicators are audited at an aggregate level.
Queensland	The Department of Local Government, Water and Volunteers has not required service providers to audit their NPR data.
South Australia	The most recent audit conducted on the NPR data was in October 2021 for 2020–21 data as it was an auditing year. Auditing is usually conducted every three years on the full set of indicators. The next audit will depend on auditing requirements following the NPR review.
Tasmania	TasWater’s performance indicators are audited in three tranches over a three-year period. The first tranche of TasWater’s performance indicators was audited in September 2025 (with regard to 2024–25 performance indicators). This is the first audit of a new three-year cycle.
Victoria	Most Victorian National Performance Reporting data is audited under the Essential Service Commission’s annual audit framework (refer section F7.5). The Essential Service Commission conducted their last regular annual audit of 2024–25 data in December 2025.
Western Australia	Audits were undertaken in 2024–25. Auditing is conducted every three years, with the next round of audits scheduled for 2027–28.