

## B. Audit scope and methods

---

### About this performance audit

---

The objective of the audit was to examine the effectiveness of councils' asset management planning to maximise services to the community while minimising the total cost of owning these assets. The audit addressed the objective through the following 3 criteria:

- councils capture and maintain asset information to support effective asset management
- councils' asset management is integrated with service planning and supported by appropriate systems, controls, and practices
- councils access guidance and training to improve their asset management approaches.

### Entities subject to this audit

---

Under the *Local Government Act 2009* (the Act), councils are responsible for operating within a system that is accountable, effective, efficient, and sustainable. This includes the management of assets and infrastructure and the delivery of effective services. The Department of State Development, Infrastructure, Local Government and Planning administers the Act and aims to support local government to have well-planned communities where people want to live, work, and play. The entities subject to this audit were:

- Cairns Regional Council
- Central Highlands Regional Council
- Ipswich City Council
- Mareeba Shire Council
- Murweh Shire Council
- Department of State Development, Infrastructure, Local Government and Planning.

We also sent a survey to all 77 councils so they could self-assess the level of maturity of their approaches to asset management. Their ratings are unaudited.

### Performance engagement

---

In conducting the audit, we:

- reviewed documents and data provided by the 5 councils and the department
- reviewed publicly available information
- interviewed staff from the 5 councils and the department
- interviewed a selection of stakeholders.

This audit has been performed in accordance with the *Auditor-General Auditing Standards*, incorporating, where relevant, the standards on assurance engagements issued by the Auditing and Assurance Standards Board. We applied ASAE 3500 *Performance Engagements* to all 3 audit criteria. This standard establishes mandatory requirements and provides explanatory guidance for undertaking and reporting on performance engagements. We did not use the self-assessed maturity ratings in forming conclusions regarding all 3 audit criteria.