

# H. Audit objective and methods

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## Performance engagement

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This audit has been performed in accordance with the Standard on Assurance Engagements ASAE 3500 *Performance Engagements*, issued by the Auditing and Assurance Standards Board. This standard establishes mandatory requirements and provides explanatory guidance for undertaking and reporting on performance engagements.

## Audit objective

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The objective of the audit was to assess whether councils plan and deliver their services to support long-term financial sustainability.

We assessed whether councils:

- develop robust approaches to planning and managing the costs of their services
- monitor and report on the costs and effectiveness of their services.

## Entities subject to this audit

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We selected five councils for detailed review based on the following criteria:

- population size
- proportion of revenue from fees, charges, and rates
- value of fees and charges revenue
- council rates per ratepayer
- mix of services offered.

The councils selected cover five segments identified by the Local Government Association of Queensland: Coastal, Resources, South East Queensland, Rural/Regional, and Rural/Remote.

We conducted the audit at the following councils; Bundaberg Regional Council, Longreach Regional Council, Noosa Shire Council, Western Downs Regional Council, and Whitsunday Regional Council.

We also included the Department of Local Government, Racing and Multicultural Affairs.

## Audit approach

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### Field interviews

We conducted interviews with key council staff, and managers, including:

- chief executive officers, chief finance officers, project managers, and asset/facilities managers
- service managers of council services—including airports, saleyards, libraries, childcare centres, cinemas, quarries, parks and gardens, swimming pools, museums, and cemeteries.



We consulted with:

- Queensland Treasury Corporation
- Local Government Association of Queensland
- Brisbane City Council and Council of the City of Gold Coast.

## Document review

We obtained and reviewed relevant documents and files from the councils within the scope of the audit. We reviewed relevant legislation, organisational planning documents, policies and frameworks, council service plans and reviews, asset-management plans, consultants' reports, project plans, performance reports, and budgets.

## Data analysis

We obtained financial and non-financial performance data on selected council services. We analysed if councils were able to demonstrate they were delivering services effectively and efficiently.

