



LTCCP Audits

A Presentation to the
Road Controlling
Authorities Forum

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- Our Reporting Responsibility – LGA 2002
 - Compliance with the Act's requirements
 - Quality of the information and assumptions
 - Framework for levels of service



- Our Audit Report

5 specific aspects:

- legislative compliance;
- underlying information;
- assumptions;
- generally accepted accounting practice; and
- performance framework.

Also includes 'overall opinion' section



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Three aspects of our opinion directly linked to AMPs:

- Underlying information
- Assumptions (Asset lives, condition etc)
- Performance framework.



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- Asset Management Plans

Reviewed AMPs as key sources of information

Considered other asset information outside AMPs
where AMP's inadequate



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- Our Reviews of AMPs

Not an Audit of AMPs

Seeking Assurance over Key Impacts on LTCCP

Initial Focus on AMP Processes



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- Approach to Reviews of AMPs
 - Developed template for High Level Reviews
 - Specialists undertook most reviews
 - Internal QA for consistency
 - Reports issued to each Council



- Results of our AMP Reviews
 - Reviewed 92 AMPs across 52 local authorities
 - In most cases Roding or Transportation was one of the plans we reviewed
 - Each plan was assessed in 9 categories
 - Status of AMP
 - AMP link to Council's strategic direction
 - Preparation process
 - Peer review process
 - Approval process
 - Improvement process
 - Asset Information systems and data



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- Results of our AMP Reviews
 - 2 had a direct link to the LTCCP
 - levels of service
 - financial forecasts



- Overall findings

No plans were assessed as excellent

The 3 weakest categories were:

- Financial forecasting
- Improvement planning
- Levels of Service

The 2 areas of relative strength were:

- Links to councils' strategic direction
- AMP Preparation Process

Even in these two areas, the average assessment score was below what we expected.



- Overall findings

Of the main asset groups, Roothing/Transportation received the highest proportion of Sound assessments.



- Overall findings

No council meets the criteria for Advanced Asset Management

The weakest areas against Advanced criteria are:

- optimised decision-making
- integrating risk management; and
- defining and clearly expressing levels of service.



- **Status of Asset Management Planning**

Councils fell into three groups

1. Up to date AMP in place to support development of the LTCCP
2. Updating AMPs alongside drafting the LTCCP
3. Relying on older, sometimes outdated plans.

Planning cycle needs to be co-ordinated.