

# C. Results of asset management maturity self-assessments

This appendix summarises statewide and segmented results to our survey on asset management maturity in local government. Appendix D shows a map of the different council segments across the state.

Last year, we issued a questionnaire to all 77 Queensland local governments so they could self-assess the maturity of their approaches to asset management. It was based on a framework that meets the international standard for asset management ISO 55000, developed by the Asset Institute’s Public Assets Collaborative Group.

We asked councils to rate their maturity against the framework as: 1 – aware, 2 – basic, 3 – core, 4 – intermediate, or 5 – advanced. The survey also asked councils to comment on any challenges they were facing that hindered effective asset management in their council.

We received a strong response rate, with 52 responses from the 77 councils (68 per cent). The survey included 28 questions based on the 10 elements of the asset management framework. The responses provided us with useful insights into councils’ opinions on their current level of asset management maturity.

## State average

Figure C1 shows the survey results. A score of 3 denotes the council meets the core or minimum requirements of the standard. The state average was below the minimum standard for all 10 elements. (These are councils’ self-assessments. They are not based on audit evidence and did not inform our conclusions.)

**Figure C1**  
State average compared to core (minimum) requirements



Source: Queensland Audit Office, Asset management maturity survey.



## Results for the 6 council segments

The Local Government Association of Queensland developed 6 segments of councils to support comparisons and sharing of ideas between similar councils. The 6 segments are: Coastal, Indigenous, Resources, Rural/Regional, Rural/Remote, and South East Queensland (SEQ).

All council segments averaged mostly in the 'basic' range for the 10 elements of asset management. The benefits of moving to the 'core' range will need to be determined by each council, based on individual needs. For some smaller councils, the benefits would be outweighed by the costs.

Within the segments, there were relatively minor variations in the response ratings, with most responses clustered around the average. Even across the segments, the results were similar, except for Indigenous councils. (The lower response rate of 35 per cent for this segment means its average should be used with caution.)

Figure C2 shows how each segment self-assessed the maturity of its asset management approaches against the 10 elements of asset management.

**Figure C2**  
Self-assessed maturity score by council segment – average

Element	Coastal	Indigenous	Resources	Rural/ Regional	Rural/ Remote	SEQ	State average
Managing the organisation	2.5	2.2	2.7	2.3	2.6	2.8	2.5
Leadership and culture	2.3	2.0	2.5	2.4	2.6	2.6	2.4
Context and drivers	2.4	2.1	2.4	2.1	2.7	2.7	2.4
Enabling framework	2.5	1.8	2.5	2.3	2.4	2.5	2.4
Strategic planning	2.6	2.2	3.0	2.5	2.5	3.0	2.6
Tactical planning	2.1	1.6	2.2	1.7	2.1	2.4	2.0
Operational planning	2.1	1.9	2.3	2.0	2.1	2.2	2.1
Information and systems	2.5	1.7	2.5	2.4	2.7	2.3	2.4
Performance improvement	2.5	1.8	2.5	2.4	2.6	2.5	2.4
Outcomes	2.0	1.3	2.1	1.9	2.0	2.0	1.9

Note: The state average includes responses for all councils. These scores are self-assessed by individual councils and the QAO has not validated the results. As a result, some councils, particularly those in the Rural/Remote segment, may have provided an optimistic assessment of their current maturity levels. The average for Indigenous councils was calculated based on a low response rate.

Key colours: **Aware** – **Basic** – **Core** – Intermediate – Advanced.

Source: Queensland Audit Office, Asset management maturity survey.

The element where segments scored lowest was measuring asset management outcomes. Most councils assessed that they need to improve processes to show they are providing the expected service to stakeholders. Effective processes for measuring outcomes and value realisation include:

- developing a long-term financial plan or sustainability strategy
- assessing progress towards achieving the goals and objectives of the long-term asset management plan
- setting qualitative key result areas for community levels of service. Key result areas should be monitored, measured, and reported to council, against time-based targets
- setting quantitative key performance indicators for technical levels of service. Key performance indicators should be monitored, measured, and reported to council against time-based targets.

Figure C3 shows how the 10 elements of the strategic asset management framework – grouped into the 4 key areas of leadership and culture, asset management system design, service delivery, and outcomes – align to support effective asset management. The Asset Institute developed the framework based on the better practices identified in the International Standard ISO 55000. The elements apply to private companies and public sector entities with responsibilities to manage portfolios of assets to deliver value to stakeholders/shareholders.

**Figure C3**  
**Strategic asset management framework: Public sector**



Source: Asset Institute (a network of multidisciplinary research and industry experts), aligned with ISO 55000 Asset management.



A brief description of the 4 key areas councils need to implement from the international standard follows.

- **Leadership and culture** involve top management developing and implementing asset management policies and objectives to align with council objectives. These policies and objectives are clearly communicated throughout the entire council, where improvements can also be proposed.
- **Asset management system design** needs to understand the broad range of factors that will impact on asset management decisions. These include:
  - stakeholder needs and expectations
  - environmental factors
  - risk management
  - financial limitations
  - legislative frameworks and policies.
- **Service delivery** includes documenting the principles and implementation process of a council's asset management policy and activities. By documenting this process, clear guidance is available to support the various areas of council to develop and implement better asset management plans.
- Councils should subsequently evaluate **outcomes** through measuring the performance of their assets, asset management, and asset management systems. By performing an evaluation of this process, councils can identify areas that may have room for improvement.

