

Appendix C:

Audit scope and method

Scope of this audit

Who we examined

We examined the following agencies:

Agency	Their key responsibilities
FRV	Leading fire suppression, prevention and emergency response across metropolitan Melbourne and major regional centres using a career workforce of around 4,000 firefighters. FRV operates 184 firefighting trucks across 85 stations.
CFA	Delivering fire suppression and emergency response across regional and rural Victoria. CFA has 2,208 firefighting trucks across 1,209 brigades, with approximately 29,084 volunteer firefighters.
DEECA	Managing bushfires and reducing fire risk on Victoria's public lands. Through its Forest Fire Management Victoria service, it operates 676 firefighting trucks across 16 districts and has approximately 1,800 paid frontline firefighters, including 500 seasonal firefighters to support permanent staff during peak fire season.
Department of Justice and Community Safety	Providing strategic, policy, governance, administrative support, funding and financial oversight. It retains responsibilities relating to the planning, management and delivery of Victoria's emergency services.

Our audit objective

Are fire authorities planning and maintaining their firefighting fleets to meet Victoria's current and future needs?

What we examined

We examined:

- the extent that fire authorities' firefighting fleet planning and management framework aligns with the AMAF and other best-practice guidance
- fire authorities' advice to the government on funding needs for fleet replacement and maintenance, Budget proposals and Budget allocations
- the extent to which fire authorities manage risks associated with their firefighting fleets through strategic and tactical fire truck allocations
- whether fire authorities are completing all scheduled and unplanned maintenance on time.

We did not examine fire authorities' management of the following assets:

- standard motor vehicles, all-terrain vehicles, rescue vehicles, hazmat vehicles, planes, helicopters, fireboats, bulldozers, excavators and tree harvesters
- personal protective equipment.

Aspects of performance examined

Our mandate for performance audits and reviews includes the assessment of economy, effectiveness, efficiency and compliance (often referred to as the '3Es + C').

In this audit we focused on the following aspects:

Economy	Effectiveness	Efficiency	Compliance
			

Key:

-  Primary focus
-  Secondary focus
-  Not assessed

Conducting this audit

Assessing performance

To form a conclusion against our objective we used the following lines of inquiry and associated evaluation criteria.

Line of inquiry	Criteria
1. Are fire authorities planning and allocating their firefighting fleets to minimise risks to firefighters and the community?	1.1 Fire authorities plan their firefighting fleets in accordance with the <i>Asset Management Accountability Framework</i> including: - current and future fire risks and service demand - fleet age, condition and use - relevant laws and standards - evolving technology - new vehicle availability and lead-in times - lifecycle costs - operational risks.
	1.2 Fire authorities provide advice to the government on additional investment required for firefighting fleet replacement and management that aligns with their asset planning.
	1.3 Fire authorities allocate their firefighting fleets to minimise operational risks and maximise asset life.
2. Are fire authorities maintaining the condition of their firefighting fleets to ensure they are operable and safe?	2.1 Fire authorities monitor the condition of their firefighting fleets in line with maintenance schedules and the <i>Asset Management Accountability Framework</i> .
	2.2 Fire authorities undertake all scheduled and required reactive maintenance of their firefighting fleets, while maintaining operational fleet availability.

Our methods

As part of the audit we:

- reviewed in-scope fleet policies, procedures and standards
- examined asset registers and fleet condition, mileage and fault records
- analysed maintenance schedules, contracts and records, including preventative and reactive maintenance
- analysed fleet data, including spending on maintenance, upgrades and modifications, and used Copilot to extract or analyse data
- reviewed business cases, Cabinet submissions and related planning documents
- undertook site visits to brigades, depots and maintenance facilities
- conducted controls testing on key fleet management processes.

Level of assurance

In an assurance review, we primarily rely on the agency's representations and internally generated information to form our conclusions. By contrast, in a performance audit, we typically gather evidence from an array of internal and external sources, which we analyse and substantiate using various methods. Therefore, an assurance review obtains a lower level of assurance than a performance audit (meaning we have slightly less confidence in the accuracy of our conclusion).

Compliance

We conducted our audit in accordance with the *Audit Act 1994* and ASAE 3500 *Performance Engagements* to obtain reasonable assurance to provide a basis for our conclusion.

We complied with the independence and other relevant ethical requirements related to assurance engagements.

We also provided a copy of the report to the Department of Premier and Cabinet and the Department of Treasury and Finance.

Cost and time

The full cost of the audit and preparation of this report was \$845,138.

The duration of the audit was 12 months from initiation to tabling.