

PROJECT BRIEF

Project Title:	City of Adelaide - Project Management Framework Review
Project Contact:	Rebecca Hayes, Associate Director, Governance & Strategy
Project Objective:	The objective of this internal audit is to assess the design adequacy and operating effectiveness of City of Adelaide's (CoA) project management framework and key controls across the project lifecycle, and its alignment to leading practice. The review will provide assurance over the effectiveness, consistency, and governance of project management practices and identify improvement opportunities.
Scope & Approach:	<p>The scope of this review will consider CoA's project management framework, with a focus on the following areas:</p> <ul style="list-style-type: none"> • Project Governance and Oversight <ul style="list-style-type: none"> – Alignment of roles and responsibilities – Alignment with strategic planning and implementation • End-to-end Project Management Process and Gateways, including: <ul style="list-style-type: none"> – Identification – Approval stages – Planning – Delivery – Risk management and escalation – Project reporting and performance monitoring – Commissioning and handover – Close-out / post-delivery review • Delegations of authority / approvals • Governance charters <p>As part of this review, we will assess the adequacy and maturity of the CoA's project management practices using BDO's Project Management Maturity Assessment Model which reflects leading project management practices (e.g. PMBOK / PMI Standard, PRINCE2, P3M3, ISO 21502PMBO) and has been tailored to reflect CoA's operational environment.</p> <ol style="list-style-type: none"> 1. Strategic Alignment & Project Initiation 2. Governance Structure & Oversight 3. Roles, Responsibilities & Capability 4. Delegations of Authority & Approvals 5. Stage Gates & Project Lifecycle Controls 6. Planning & Baseline Management 7. Risk, Issues & Escalation 8. Reporting & Performance Monitoring 9. Change Control 10. Commissioning, Handover & Benefits Realisation 11. Close out & Lessons Learned 12. Framework Enablement (Templates, Guidance & Systems) <p>The full Project Management Maturity Assessment to be applied, including detailed criteria for each domain and definition of maturity levels, is provided in Appendix 1.</p> <p>This project will be undertaken in consultation with the Project Management Office and Governance & Strategy teams.</p> <p>Our approach includes the following phases:</p>

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Phase 0: Project Kick Off and Planning

Project Kick Off and Planning will focus on establishing the foundation for an effective engagement, including consultation, confirmation of timelines and deliverables, identification of any issues and scope exclusions, outlining our information requests and commencing access to relevant documentation.

An initial kick off meeting will confirm roles and responsibilities, introduce CoA representatives and the BDO team and confirm contact details of nominated engagement personnel.

Phase 1: Process Discovery

The Process Discovery phase included the following two (2) stages:

1a - Document Collation and Process Interviews

- Obtain CoA's suite of project management documentation including project management framework, governance charters, delegations, end-to-end project management processes and gateways (identification, approval stages, planning, delivery, commissioning and handover, change management frameworks and close-out / post-delivery review) and any other relevant documents.
- Obtain project register information for the past 12 months.
- Conduct interviews with nominated CoA representatives to gain an understanding of the key processes and systems used in the project management framework across the organisation.
- Identify the key risk areas within the project management framework processes, with reference to the relevant strategic risk 'bow tie' assessment.

1b - Process and Documentation Review

- Gain an understanding of CoA's suite of project management related documentation obtained in Phase 1a.
- Document, at a high level, the key project management framework processes for each of the 12 Project Management Maturity Model domains, highlighting the key controls in place (manual and system based) to address the identified key risk areas.

Phase 2: Assessment of Process Adequacy

The Process Adequacy phase includes the following two (2) stages:

2a - Adequacy Assessment and Risk/Control Gap Analysis

- Consider the alignment of project management framework documentation against the Project Management Maturity Model.
- For each of the project management domain areas, conduct an assessment of the design of project management processes/controls against the criteria outlined in the BDO Project Management Maturity Assessment Table.
- Based on the control gap analysis and assessment, identify areas requiring improvement from a control and/or process improvement perspective.
- Agree areas that require specific 'walkthroughs' and/or 'testing'.

2b - Walkthroughs and Testing

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	<ul style="list-style-type: none"> • Via review of project register documentation, and consultation with CoA representatives, select a representative sample of project management activities for testing. • Conduct ‘walkthroughs’ and/or ‘testing’ of project management activities, where appropriate, to assess: <ul style="list-style-type: none"> – Compliance with CoA’s project management framework and relevant policies/procedures – Operating effectiveness of project management processes/controls within each of the 12 project management domain areas. • Based on the results of ‘walkthroughs’/’testing’, identified areas requiring improvement from a control and/or process improvement perspective. Also consider outcomes of the internal audit on the relevant strategic risk ‘bow tie’ assessment. <p>Note: The review will not provide assurance over individual project outcomes; however, selected projects may be sampled to evaluate compliance with the project management framework and the operating effectiveness of key controls.</p> <p>Phase 3: Process Improvement</p> <ul style="list-style-type: none"> • Hold preliminary discussions with CoA representatives to confirm accuracy of audit findings. • Work with CoA’s representatives to develop tailored solutions to address any identified control gaps and/or process improvement opportunities. <p>Phase 4: Report Results</p> <ul style="list-style-type: none"> • Prepare a summary of findings providing CoA with recommendations for enhancing the project management framework. • Hold closing meetings with CoA representatives regarding audit outcomes. • Prepare draft report and provide to CoA representatives for management comments. • Finalise report. 	
Timeframe:	Project delivery by end of June 2026.	
Project Resources:	<p>The estimated total cost to complete this project is \$25,000 - \$30,000 (GST exclusive).</p> <p>Out of pocket costs (including travel and accommodation, if required) will be billed at cost, kept to a minimum and agreed with you prior to them being incurred.</p>	
Prepared by:	BDO	
Agreed by:	<p>Peter Horsman - Partner BDO</p> <p>/ /2026</p>	<p>Rebecca Hayes - Associate Director, Governance & Strategy</p> <p>/ /2026</p>

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Appendix 1 - Project Management Maturity Assessment Model

Domain	Ratings and Criteria				
	Level 1 - Ad hoc	Level 2 - Repeatable	Level 3 - Defined	Level 4 - Managed & Measured	Level 5 - Optimised
1. Strategic Alignment & Project Initiation	Projects initiated reactively or opportunistically. Business need and strategic alignment not clearly articulated or documented. Benefits, options and risks not formally considered prior to approval.	Basic project initiation documents exist but are inconsistently completed. Strategic alignment and benefits are described at a high level but not assessed using defined criteria.	Standardised project initiation process in place, including documented business need, strategic alignment, options analysis, preliminary benefits, risks and resourcing. Initiation artefacts are required prior to approval.	Project initiation quality is reviewed and challenged by governance bodies or PMO. Projects are prioritised using defined criteria aligned to strategic objectives and delivery capacity.	Data-driven project prioritisation embedded. Benefits hypotheses tracked from initiation through delivery. Initiation data informs portfolio optimisation, forecasting and continuous improvement.
2. Governance Structure & Oversight	Project governance arrangements are unclear or informal. Decision-making forums are inconsistent, and accountabilities are poorly defined. Decisions and actions are not reliably documented.	Governance forums exist for some projects, but terms of reference, escalation pathways and decision rights are inconsistently applied across the organisation.	Defined and documented project governance framework in place, including roles, committees, terms of reference, meeting cadence and decision authorities. Governance artefacts are consistently maintained.	Governance effectiveness is actively monitored. Decision timeliness, action completion and escalation effectiveness are tracked. Independent assurance or health checks are performed for higher-risk projects.	Governance is risk-tiered and optimised. Oversight is proportionate to project complexity. Governance performance is continuously improved based on outcomes, assurance results and lessons learned.
3. Roles, Responsibilities & Capability	Roles and responsibilities are unclear or overlapping. Project outcomes depend heavily on individual capability rather than defined roles. Sponsorship and accountability are inconsistent.	Key roles are broadly defined, but responsibilities, capability expectations and training requirements are inconsistent. Capability development is ad hoc.	Clear role definitions and RACI established for sponsors, project managers, steering committees and PMO. Minimum capability and training expectations defined.	Resource capacity, capability and independence (e.g. assurance roles) are actively managed. Succession and contingency planning is in place for key project roles.	Continuous capability uplift embedded through communities of practice, coaching and structured learning. Workforce planning aligned to the forward project pipeline.

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4. Delegations of Authority & Approvals	Approval pathways are unclear or inconsistently followed. Delegations are not well understood and approvals are not reliably evidenced.	Delegations exist but are not clearly mapped to project stages or financial thresholds. Compliance varies across projects.	Delegations of authority clearly documented and mapped to project stage gates, cost thresholds and risk levels. Approvals are evidenced and auditable.	Compliance with delegations is monitored. Exceptions are identified, escalated and addressed. Delegations are periodically reviewed for ongoing suitability.	Risk-based delegations optimised and embedded in digital workflows, providing real-time visibility, control and audit trail.
5. Stage Gates & Project Lifecycle Controls	No consistent project lifecycle or stage gates. Projects progress without formal review points or minimum artefact requirements.	Some stage gates exist but are inconsistently applied. Entry and exit criteria are unclear and tailoring is unmanaged.	Defined end-to-end project lifecycle with mandatory stage gates. Minimum artefacts, entry/exit criteria and tailoring rules are documented and applied.	Stage-gate compliance is monitored. Quality reviews occur prior to approvals. Gate decisions are linked to tolerances and forecast confidence.	Stage gates streamlined and optimised using risk-based tailoring and data insights. Lessons learned are systematically used to refine lifecycle controls.
6. Planning & Baseline Management	Project plans are incomplete or inconsistent. Scope, schedule and cost baselines are not formally established or approved.	Basic planning occurs but baselines are not consistently set or controlled. Planning quality varies between projects.	Integrated project management plans developed and approved, covering scope, schedule, cost, quality, resources, risk and communications. Baselines are established and controlled.	Forecast accuracy and baseline variance are monitored. Tolerance management is embedded, and corrective actions are taken based on performance data.	Advanced planning capability embedded, including reusable estimation models, scenario planning and continuous improvement driven by performance metrics.
7. Risk, Issues & Escalation	Risks and issues are managed reactively. Registers are absent or incomplete. Escalation pathways are unclear.	Risk and issue registers exist but quality and usage are inconsistent. Escalation depends on individual judgement rather than defined thresholds.	Standard risk and issue management approach implemented, including defined thresholds, escalation pathways, ownership and reporting cadence.	Risk trends, control effectiveness and emerging risks are actively reviewed. Early warning indicators are used for higher-risk projects.	Predictive risk management embedded. Systemic risk themes inform framework updates, governance decisions and portfolio optimisation.
8. Reporting & Performance Monitoring	Project reporting is inconsistent and subjective. RAG status lacks clear definition and linkage to baselines.	Regular reporting occurs but metrics and formats vary. Reporting is descriptive rather than decision-focused.	Standard reporting framework implemented, including schedule, cost, scope, risk, issues, benefits and decisions.	Performance KPIs are monitored at project and portfolio level. Reporting quality is reviewed and supports timely governance decisions.	Automated, integrated reporting with trend and predictive analytics. Reporting continuously

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			Definitions are clear and consistently applied.		refined to meet stakeholder and decision-maker needs.
9. Change Control	Scope and change are poorly controlled. Changes are implemented without formal assessment or approval.	Change logs exist but approvals and impact assessments are inconsistent.	Formal change control process in place, including impact assessment on cost, schedule, risk and benefits, with defined approval thresholds.	Change trends analysed and tolerance breaches escalated. Change impacts are visible at governance and portfolio level.	Optimised change pathways with proportionate controls. Lessons learned reduce rework and improve planning accuracy.
10. Commissioning, Handover & Benefits Realisation	Handover to operations is informal. Operational readiness and benefit ownership are unclear.	Basic handover checklists exist but are inconsistently applied. Benefits tracking is limited.	Defined commissioning and handover process implemented, including readiness criteria, acceptance testing and benefits ownership.	Post-implementation reviews conducted. Benefits are tracked post-delivery and issues are transitioned to BAU with accountability.	Benefits realisation embedded and measured over time. Feedback loops improve future business cases, planning and governance.
11. Close-out & Lessons Learned	Projects are closed informally or not at all. Lessons learned are rarely captured or used.	Close-out occurs inconsistently. Lessons are documented but not systematically reused.	Formal project close-out process implemented, including documentation, contract closure (where applicable) and lessons learned with owners.	Lessons learned are reviewed at PMO/governance level and inform updates to frameworks, templates and training.	Continuous improvement system embedded. Maturity assessments repeated and uplift demonstrated over time.
12. Framework Enablement (Templates, Guidance & Systems)	Templates and guidance are fragmented or outdated. Version control is weak and usage is inconsistent.	Some standard templates exist but use is optional and not monitored.	Controlled template and guidance library implemented, including tailoring rules and training support.	Usage and compliance monitored. Workflow and systems support approvals, document control and audit trail.	Automation and integrated tooling optimise delivery, reporting and decision-making. Framework continuously refined based on user feedback and performance data.