

QUESTION ON NOTICE

Councillor Mary Couros will ask the following Question on Notice:

'Can the Administration advise:

1. What is the total amount the City of Adelaide has spent on external consultants over the past 18 months?
2. Can this expenditure be broken down by consultant, project, purpose of the engagement and cost?
3. Which Council portfolio each engagement relates to?
4. What procurement process was used for each engagement (tender, quotation or direct appointment)?
5. Were any of the services provided by external consultants considered capable of being undertaken by existing Council staff, and if so, why was an external consultant engaged?
6. What opportunities have been identified to reduce expenditure on external consultants in future budgets?

REPLY

1. The terms "consultancy services" and "professional services" are often used interchangeably. In broad terms professional services refers to specialised services provided by qualified professionals who apply expertise, skills, or accreditation to perform work for a client. Examples would include Council's engagement of an independent auditor, legal services providers, and property valuation services. It would also include engaging planning, engineering, and urban design expertise engaged in support of specific capital projects of the City of Adelaide.
2. Consultancy (or consulting) services are a subset of professional services that focus on providing advice, recommendations, analysis, and strategic guidance. Examples might include business strategy reviews, process improvement assessments, technology roadmap development, organisational restructuring advice, financial modelling and business case development.
3. As the question is not clear exactly what is meant by "external consultant", and because the City of Adelaide uses the broader term "Professional services" in categorising services provided by external providers, information summarising use of professional services (which includes consulting services) is provided below:

City Community	Expenditure includes activity associated with: Public Art Action Plan; Future Libraries Business Case; Live Music Industry and Events; City of Adelaide website redevelopment; consulting services for Tree Martins; Compliance and Assessments of Buildings; Permit and Development Assessments.	\$1,239,869
City Infrastructure	Expenditure includes activity associated with: Condition audit and unit rate determination associated with asset revaluations; development of Integrated Transport Strategy; Property Development; actioning internal audit findings.	\$3,674,439
City Shaping	Expenditure includes activity associated with: Plant & Fleet Asset Management Plan; Cleansing service standards and service pilot; Tree Martin Management; World Heritage Bid; Design Code Amendment Program; Disability Access and Inclusion Plan; National Heritage Implementation Plan; Dry Areas Evaluation; City of Adelaide Housing Strategy Implementation; Key Biodiversity Area Management Plan; Adaptive Re-use Housing Initiative (ARCHI).	\$2,587,189
Corporate Services	Expenditure includes activity associated with: Adelaide Central Market Expansion Operational Preparedness; City Brand Development; Investment Attraction Program; Tourism and Business Attraction; AEDA Summit; Visitor Growth; Valuations for rating purposes; External Procurement services; Supplementary and General Election; ESCOSA review; Research and Community Engagement; External Recruitment; Safety and Wellbeing.	\$3,775,676
Office of the Chief Executive	Expenditure includes activity associated with: Council of Capital City Lord Mayors	\$800
Total Operational Spend		\$11,277,974
Capital	Expenditure includes activity associated with: Engineering, Design and Project Management services associated with the delivery of the capital program,	\$12,363,065
Total Professional Services		\$23,641,039

4. The total amount expended on professional services from 1 January 2025 to 30 June 2026 was \$23.641 million, of which \$11.278 million is operations-related, and \$12.363 million is capital project-related.
5. Professional services activity has been broken down by portfolio. Because the quantity and diversity of the professional services activities would require a significant body of work to create a complete list, an indicative summary of activities (purpose of the engagement) has been included.
6. The breakdown requested of individual services providers engaged during the period has not been provided, as these are matters of commercial confidentiality. The providers would each need to be consulted and approve release of details in relation to their engagement.
7. Information on the specific procurement method applied to each individual consultancy engagement is not readily available due to their diversity and frequency. However, all consultancy engagements were undertaken in accordance with Council's Procurement Policy and Procurement Procedures, which require the procurement method to be determined based on factors such as the value, nature and complexity of the engagement. Procurement processes may have included quotations, public tenders or direct appointments, as permitted under Council's procurement framework.
8. External professional services were engaged where specialist independent expertise and advice, additional resourcing capacity, or specific technical skills were required that were not available within Council's existing workforce. In some cases, consultants were also engaged to meet project timelines, provide an independent assessment, or undertake short-term work that did not justify the recruitment of permanent staff.

9. Council continually reviews its use of external consultants and seeks to minimise expenditure wherever practical. Opportunities to reduce future consultancy expenditure include further developing internal capability and expertise, improving workforce planning, enhancing knowledge transfer from consultants to Council staff, and prioritising the use of existing resources where appropriate.
10. However, there will continue to be circumstances where engaging external consultants represents the most effective and efficient approach, particularly in relation to capital projects, where specialist expertise, independent advice, additional short-term capacity, or regulatory requirements require skills that are not available within Council's existing workforce, and which because of their project-based nature would not be added to the ongoing workforce.

Staff time in receiving and preparing this reply	To prepare this reply in response to the question on notice took approximately 78.5 hours.
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