

City of Adelaide

New Commercial Revenue - Process Review

September 2026

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Executive Summary

Executive Summary

Background

The City of Adelaide's (CoA) existing commercial revenue streams are mainly driven by commercial leases (incl. Adelaide Central Market) and parking. Other commercial revenue sources include activities such as venue hire, events, advertising and sponsorship. Commercial revenues provide a significant contribution towards funding CoA's operations generating circa \$78 million in annual income and accounting for almost 30% of CoA's total income.

CoA's Strategic Plan 2024-28 includes a Key Action towards achieving the desired outcome of Financial Sustainability to '*improve service efficiency by identifying new revenue streams and creating new opportunities for income*' with an associated 'Indicator of Success/Measures/Targets' to '*grow the share of non-rates based revenue*'.

Growing non-rates revenue is desirable as it allows CoA to reduce the burden falling on ratepayers for the cost of delivering its services, thereby assisting with affordability for businesses and residents of the city. However, CoA is constrained in its ability to act as a profit-maximising commercial enterprise due to regulatory constraints. Its commercial activities must remain within statutory powers, connected to a local government purpose, consistent with public-benefit obligations, financially prudent, and subject to transparency, consultation and accountability requirements. These constraints do not prevent CoA from generating substantial non-rates revenue, but they limit its ability to pursue purely commercial opportunities in the same manner as a private corporation.

Objective

The objective of this project was to assess the design and operating effectiveness of CoA's processes and governance structures to identify, evaluate and deliver new commercial revenue opportunities.

Scope and Approach

The intended scope of this review was to consider the adequacy of CoA's organisational approach and processes to:

- Identify potential new revenue streams
- Efficiently, effectively and consistently evaluate the financial feasibility and strategic alignment of potential opportunities including: Capital investment requirements, Revenue potential, Operating costs, Sensitivity and risk analysis, and Community impacts.
- Assess legislative and policy implications
- Manage conflicts of interest
- Ensure appropriate governance and approvals
- Monitor and report on the delivery of outcomes versus what was planned

The scope did not include the processes associated with determining/varying the fees and charges of existing commercial revenue streams nor statutory charges. The scope also did not include an assessment of the processes associated with assessing new commercial lease opportunities as this is an existing operational activity.

Our approach to conducting this project involved consulting with CoA staff members, seeking case studies of potential new opportunities having been assessed, and reviewing relevant documentation, policies and procedures. Appendix 2 provides the detailed scope and approach undertaken to perform this review.

Executive Summary (cont.)

Methodology and Maturity-Based Assessment Approach

As part of this review, BDO assessed the maturity of CoA's approach to identifying, assessing, governing and delivering new commercial revenue opportunities using a Commercial Revenue Management Maturity Assessment Model tailored to reflect Council's operating environment, governance arrangements, legislative obligations and strategic objective of increasing non-rates based revenue. The maturity assessment framework was developed specifically for a local government context and recognises the governance, approval and competitive neutrality considerations applicable to councils when pursuing commercial revenue opportunities. The model comprised five dimensions covering the end-to-end commercial revenue lifecycle:

- Strategic Direction & Revenue Prioritisation
- Opportunity Identification & Pipeline Management
- Opportunity Assessment & Business Case Development
- Governance & Decision-Making
- Implementation & Monitoring

The maturity assessment model applied, including detailed criteria for each dimension and definitions of maturity levels, is provided in Appendix 1.

How to read this report

This review has been conducted as a maturity-based assessment, consistent with guidance issued by the Institute of Internal Auditors (IIA). The IIA encourages the use of maturity models in assurance engagements to provide insight into capability, sustainability and pathways for improvement, rather than focusing solely on control weaknesses or historical non-compliance. This approach recognises that organisations may operate effectively while still having opportunities to enhance governance, consistency, oversight and long-term capability.

For the purposes of this report:

- CoA's current state maturity has been assessed against the defined criteria for each dimension.
- Observations have been documented where gaps exist between the current state and a higher, more mature operating state.
- Recommendations are forward-looking and focus on practical actions to support progression in maturity, rather than remediation of isolated deficiencies.

To ensure recommendations are practical and proportionate to CoA's operating context, the target state for this engagement has been assumed to be Level 4 (Mature) across all dimensions.

This reflects a level of maturity where Council has established a structured and repeatable framework for identifying, evaluating and progressing commercial revenue opportunities; strategic priorities are clearly defined; governance and decision-making arrangements are consistently applied; opportunities are supported by robust business cases and assessment processes; and implementation outcomes are actively monitored and used to inform future decision-making. The target state also recognises that CoA operates within a local government environment where commercial opportunities must be balanced against community outcomes, legislative requirements, governance obligations and public accountability.

The overall engagement rating presented in this report is aligned to the average maturity assessment across all dimensions. This approach reflects the fact that the effectiveness of CoA's commercial revenue framework is best assessed holistically rather than on the basis of individual observations in isolation.

Accordingly, the report should be read as:

- An assessment of current capability and maturity.
- A clear articulation of where maturity can be strengthened.
- A practical roadmap to support continuous improvement over time.

Overall assessment

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The rating, provided in the table, reflects our overall assessment of CoA's Commercial Revenue Process' maturity that was assessed by this review. Appendix 1 outlines the differing rating levels and their respective definitions.

Overall maturity and effectiveness		
CoA has established a strategic objective to increase the proportion of revenue generated from non-rates sources and already derives a comparatively strong level of non-rates revenue relative to many councils across Australia (see Appendix 4). Benchmarking undertaken as part of this review identified that CoA already benefits from a number of revenue streams commonly observed in commercially active councils, including car parking operations, commercial property activities, the Adelaide Central Market, and events. Benchmarking also suggests that many of the revenue streams utilised by leading councils are already present within CoA's operating environment, with the key differences to other councils typically being the maturity of the processes used to identify, prioritise, assess and progress opportunities over time. This review identified a number of positive foundations that support the pursuit of new commercial revenue opportunities. These include Council's strategic objective to grow non-rates revenue, established governance processes, Future Fund governance arrangements and the development of a formal framework for unsolicited proposals. The Future Fund provides Council with an established mechanism for reinvesting proceeds from asset sales into opportunities intended to generate future income streams. Stakeholders also demonstrated an awareness of the legislative, governance and public accountability considerations that must be balanced when considering commercial revenue opportunities within a local government environment. Notwithstanding these strengths, the review identified that Council's approach to commercial revenue growth remains largely opportunistic and decentralised. While opportunities may emerge through existing operations, stakeholder initiatives and unsolicited proposals, there is limited evidence of a coordinated framework to proactively identify, assess, prioritise and monitor opportunities across the organisation. Benchmarking undertaken as part of this review indicates that leading councils typically complement strong governance controls with clearer strategic direction, structured opportunity pipelines, consistent assessment methodologies and greater organisational capability to develop opportunities from concept through to implementation. The review also identified opportunities to further strengthen the role of the Future Fund in supporting commercial revenue growth. While the Fund establishes a mechanism for funding strategic investments, stakeholder consultations identified differing interpretations regarding its potential use to support feasibility assessments, business case development and the initial establishment of new revenue-generating activities. In addition, the Fund is primarily replenished through the disposal of under-performing assets, which may limit its long-term sustainability if asset sales do not continue. It is also important to recognise that the review identified little evidence of new commercial revenue opportunities progressing through the full lifecycle from identification to implementation. Accordingly, aspects of this assessment are based on the documented processes and governance arrangements established by Council, together with stakeholder descriptions of how opportunities would be expected to progress in practice. The limited number of recent examples also reflects a broader observation from stakeholder consultations that relatively few significant new commercial revenue opportunities have been progressed in recent years. Overall, we assessed CoA's Commercial Revenue Management maturity at 2.3 out of 5. Council's strongest areas are its governance and assessment arrangements, where a number of documented controls, review mechanisms and governance frameworks are already in place. The greatest opportunities for improvement relate to strengthening strategic direction, establishing a more structured approach to opportunity identification and pipeline management, introducing greater consistency in opportunity assessment, and improving implementation monitoring and benefits realisation. Collectively, these improvements would support a more proactive and coordinated approach to commercial revenue growth while retaining the governance disciplines and public accountability obligations expected of a large metropolitan council.	Maturity Rating (out of 5)	
	Dimension	Rating
	1. Strategic Direction & Revenue Prioritisation	2.0
	2. Opportunity Identification & Pipeline Management	1.5
	3. Opportunity Assessment & Business Case Development	3.0
	4. Governance & Decision-Making	3.0
	5. Implementation & Monitoring	2.0
	Overall	2.3

Disclaimer

BDO limited the procedures performed during this internal audit project to inquiries of relevant personnel, inspection of evidence and observation of, and enquiry about, the operation of the control procedures for a small number of transactions or events. Our procedures are not designed to provide assurance as defined by the Australian Auditing Standards (AUASB Standards) and an audit opinion was not expressed in this report. An internal audit project does not provide all of the evidence that would be required in an audit.

The matters raised in this report are only those that come to our attention during the course of performing our procedures and may not necessarily be a comprehensive statement of all the weaknesses that may exist or improvements that might be made.

We cannot, in practice, examine every activity and procedure, nor can we be a substitute for management's responsibility to maintain adequate controls over all levels of operations and their responsibility to prevent and detect irregularities, comply with laws and regulations and avoid fraud. Accordingly, management should not rely on our report to identify all weaknesses that may exist in the systems and procedures reviewed, or potential instances of fraud that may exist.

Our report was prepared solely for the internal use of CoA. No responsibility to any third party shall be accepted, as our report has not been prepared, and is not intended, for any other purpose. The responsibility for determining the adequacy or otherwise of the procedures performed by BDO is that of CoA management and the procedures performed are solely to assist you in assessing the processes reviewed by BDO.

CoA should assess management actions for their full commercial impact before they are implemented.



Summary of Observations and Recommendations / OFIs

The table below provides a high-level overview of each maturity assessment by dimension, and recommendations, the responsible officer and their position, and the date by which the recommendation will be implemented. A detailed summary of each recommendation and its respective findings is provided in this report under section Current State Assessment and Recommendations. The Maturity rating is based on the Maturity level criteria outlined in Appendix 1.

Assessment Dimension	Current State Maturity	Maturity Rating Rationale	BDO Recommendations and Opportunities for Improvement	Management Action Plan	Action Owner	Target Date
1. Strategic Direction & Revenue Prioritisation	2.0 - Developing	CoA has established a strategic objective to increase non-rates revenue and already generates a comparatively strong level of non-rates revenue relative to many councils. Revenue diversification is recognised within strategic planning documents and stakeholder consultations identified a number of potential revenue opportunities. However, Council has not established a dedicated commercial revenue strategy, defined priority revenue streams, quantified growth targets, capital investment and risk appetite, or a structured roadmap for achieving its revenue growth objectives. As a result, strategic direction exists, but opportunities continue to be progressed largely on a case-by-case basis rather than through a coordinated commercial revenue strategy.	1.1 (Medium-term Recommendation) - Develop a commercial revenue strategy that defines priority revenue streams, revenue growth objectives and strategic decision-making principles. Undertake a high-level assessment of Council's assets, services and capabilities to identify and prioritise future opportunities.	Undertake a high-level review and develop a proposed strategic and/or policy response to guide Council's approach to commercial revenue.	Associate Director Strategic Property & Commercial	30 Jun 2027
			2.1 (Short-term Recommendation) - Improve the visibility and accessibility of unsolicited proposals, including clearer website guidance and promotion of the process.	Review the existing unsolicited proposals framework, including relevant criteria, thresholds and governance pathways.	Associate Director Strategic Property & Commercial	30 Sep 2027
2. Opportunity Identification & Pipeline Management	1.5 - Foundational / Developing	Commercial revenue opportunities are identified through a combination of operational activities, internally generated initiatives and unsolicited proposals. Council has established a process for receiving unsolicited proposals; however, opportunity identification remains largely opportunistic and decentralised. The review identified limited evidence of structured opportunity generation, active promotion of unsolicited proposals, organisation-wide prioritisation or a consolidated opportunity pipeline. Consequently, Council has limited visibility of opportunities being considered and limited ability to coordinate opportunity development across the organisation.	2.2 (Medium-term Recommendation) - Establish a central opportunity pipeline to capture, prioritise and monitor commercial revenue opportunities across the organisation.	Review existing project and portfolio management arrangements to determine how commercial revenue opportunities can be identified, captured and monitored through existing systems.	Associate Director Strategic Property & Commercial	30 Sep 2027

Summary of Observations and Recommendations / OFIs (Cont.)

Assessment Dimension	Current State Maturity	Maturity Rating Rationale	BDO Recommendations and Opportunities for Improvement	Management Action Plan	Action Owner	Target Date
3. Opportunity Assessment & Business Case Development	3.0 - Established	Council has established several documented mechanisms that support assessment of commercial revenue opportunities, including Future Fund governance arrangements, the Unsolicited Proposals framework and assessment processes used for commercial property and leasing opportunities. Stakeholders also described established business case and assessment activities for significant opportunities. However, assessment approaches vary depending on the opportunity type and the review did not identify a single framework, common assessment criteria or standardised business case methodology applicable across all commercial revenue opportunities. As a result, assessment capability is established but not yet applied consistently across the organisation.	3.1 (Medium-term Recommendation) - Develop a consistent commercial revenue assessment framework incorporating common business case requirements, evaluation criteria and assessment templates.	Review existing business case, project management and assessment processes and develop a proposed commercial revenue assessment approach.	Associate Director Strategic Property & Commercial	31 Dec 2027
			3.2 (Medium-term OFI) - Consider establishing mechanisms to provide greater commercial, financial and business case development support for commercial revenue opportunities, including access to specialist expertise and a central coordination function to assist business areas in progressing opportunities.	N/A - Opportunity for Improvement		
			3.3 (Long-term OFI) - Consider enhancing the role and long-term sustainability of the Future Fund (or alternative mechanism) by clarifying its application to opportunity development activities and exploring reinvestment mechanisms to support future commercial revenue opportunities.	N/A - Opportunity for Improvement		

Summary of Observations and Recommendations / OFIs (Cont.)

Assessment Dimension	Current State Maturity	Maturity Rating Rationale	BDO Recommendations and Opportunities for Improvement	Management Action Plan	Action Owner	Target Date
4. Governance & Decision-Making	3.0 - Established	Council has established documented governance frameworks, approval processes and decision-making pathways relevant to commercial revenue opportunities, including arrangements for unsolicited proposals, property transactions and Future Fund investments. Governance responsibilities and approval requirements are generally understood by stakeholders. However, governance arrangements operate through separate frameworks depending on the opportunity type, and responsibility for coordinating opportunities remains largely decentralised. While governance controls are established, opportunities for greater coordination, visibility and portfolio-level oversight remain.	4.1 (Medium-term OFI) - Consider establishing clearer ownership and coordination of commercial revenue opportunities, including central visibility and oversight of opportunities across the opportunity lifecycle.	N/A - Opportunity for Improvement		
5. Implementation & Monitoring	2.0 - Developing	Stakeholders described a range of operational, project management and governance processes that may support the implementation and monitoring of commercial revenue opportunities, and Council has established reporting arrangements for operational and strategic activities. However, only a limited number of examples of commercial revenue opportunities progressing through implementation were identified during the review. As a result, limited evidence was available to demonstrate consistent implementation practices, consolidated monitoring of opportunity performance, or formal benefits realisation and lessons learned processes specific to commercial revenue opportunities.	5.1 (Long-term Recommendation) - Establish a consistent approach to implementation oversight, monitoring, benefits realisation and lessons learned for commercial revenue opportunities.	Review existing project, budget and performance reporting processes and develop a proposed approach for monitoring benefit realization.	Associate Director Strategic Property & Commercial	30 Jun 2028

Current State Assessment and Recommendations

Dimension 1: Strategic Direction & Revenue Prioritisation

Current State Assessment and Observations

The Strategic Direction & Revenue Prioritisation dimension considers the extent to which Council has established a clear strategic direction for growing commercial revenue streams, including defined priorities, targets, decision-making parameters and organisational alignment regarding the types of opportunities that should be pursued. It also considers whether revenue diversification activities are proactively planned and prioritised, rather than identified and progressed on an ad hoc basis.

Based on the documentation reviewed and stakeholder consultations undertaken as part of this review, we assessed this dimension at 2.0 - Developing. Council's strategic documents recognise the importance of financial sustainability and revenue diversification and include an objective to grow the proportion of revenue generated from non-rates sources. However, the review identified limited evidence of a dedicated commercial revenue strategy, defined priority opportunity areas, measurable revenue growth targets or an overarching roadmap for achieving this objective.

Specifically, we have noted the following observations:

1. Council has established a strategic objective to increase non-rates revenue

Council's Strategic Plan 2024-2028 includes a key action under the Financial Sustainability outcome to improve service efficiency by identifying new revenue streams and creating new opportunities for income with an associated measure of success to grow the share of non-rates based revenue. Revenue diversification is therefore recognised within Council's strategic planning framework and forms part of Council's broader financial sustainability objectives.

2. The strategic objective has not been supported by quantified targets or a dedicated revenue growth strategy

While the Strategic Plan establishes an objective to grow non-rates revenue, the review did not identify a quantified target for the proportion of revenue to be generated from non-rates sources, a timeframe for achieving growth, capital investment and risk appetite, or specific measures against which progress can be assessed. Similarly, the review did not identify a dedicated commercial revenue strategy or documented roadmap outlining how Council intends to achieve the stated objective.

The documentation reviewed did not identify defined commercial revenue growth priorities, target opportunity categories or guidance regarding the balance between commercial returns, community outcomes and financial sustainability objectives. Stakeholders consulted as part of the review expressed differing views regarding the types of opportunities Council should actively pursue and the extent to which Council should seek to expand its commercial activities.

3. Priority revenue streams and areas of strategic focus have not been formally defined nor assessed

As a large metropolitan council, CoA has developed a broad range of physical assets, operational capabilities, specialist expertise and information assets that may provide opportunities for additional revenue generation. Existing activities already generating non-rates revenue include commercial property leasing, parking operations, advertising and sponsorship arrangements, venue hire and events.

The review identified several areas which may present opportunities for additional/expanded scope and commercial revenue generation. These include commercial property activities, parking operations, venue utilisation, provision of services to other councils, and the potential commercialisation of data, intellectual property and specialist capabilities. These opportunities were identified through benchmarking against other councils and stakeholder discussions rather than a documented strategic assessment of priority revenue streams.

The review did not identify evidence of a formal process to assess and prioritise target revenue streams based on factors such as strategic alignment, revenue potential, implementation complexity, resource requirements or risk. Similarly, no documented prioritisation framework was identified to guide Council's investment of resources towards particular opportunity categories.

Dimension 1: Strategic Direction & Revenue Prioritisation (cont.)

Current State Assessment and Observations

4. Benchmarking indicates Council's current non-rates revenue position is broadly consistent with comparable councils

Benchmarking information reviewed as part of the engagement indicated that CoA already generates a comparatively high proportion of revenue from non-rates sources relative to many comparable councils (see Appendix 4). The benchmarking exercise did not identify significant potential commercial revenue streams being actively utilised by peer councils that are not already present within CoA's operating environment. Data and information assets were identified as one area that may warrant further consideration. The benchmarking information reviewed primarily highlighted different approaches to identifying, assessing and progressing opportunities rather than materially different categories of commercial revenue activities.

Implication

Council has established a strategic objective to grow the proportion of revenue generated from non-rates sources, with revenue diversification embedded within the Strategic Plan's Financial Sustainability outcome. Council also generates a comparatively strong proportion of non-rates revenue relative to many comparable councils and has an existing base of commercial activities, assets and capabilities that may support future revenue growth opportunities.

However, the absence of a dedicated commercial revenue strategy, defined priority revenue streams, quantified targets, capital investment and risk appetite, and a documented roadmap limits Council's ability to align organisational effort toward common revenue growth objectives. Without clear strategic direction regarding the types of opportunities Council wishes to pursue and the outcomes it is seeking to achieve, decisions regarding commercial revenue opportunities may be made on a case-by-case basis and resources may not be directed towards the opportunities most closely aligned to Council's strategic priorities. Progressing to a Mature level would involve establishing clearer strategic guidance, measurable objectives and prioritisation criteria to support more consistent and informed decision-making regarding future commercial revenue opportunities.

Recommendations	Priority	Management Action Plan	Action Owner	Target Date
1.1 Establish a Commercial Revenue Strategy and Priority Opportunity Framework: Develop a concise commercial revenue strategy that supports Council's objective of increasing non-rates revenue and provides greater clarity regarding the types of opportunities Council intends to pursue. The strategy should define priority revenue streams, establish measurable objectives, articulate key decision-making principles and identify the assets, services and capabilities to be targeted for further assessment. As part of this process, Council should undertake a high-level assessment of its existing assets, services and capabilities to identify and prioritise opportunities with the greatest strategic and commercial potential. The strategy should be proportionate to Council's operating environment and integrated with existing strategic planning and financial sustainability initiatives.	Medium-term	1.1 Undertake a high-level review and develop a proposed strategic and/or policy response to guide Council's approach to commercial revenue.	Associate Director Strategic Property & Commercial	30 Jun 2027

Dimension 2: Opportunity Identification & Pipeline Management

Current State Assessment and Observations

The Opportunity Identification & Pipeline Management dimension considers the extent to which Council has established mechanisms to identify, capture and prioritise potential commercial revenue opportunities from both internal and external sources. This includes the processes used to generate new ideas, encourage unsolicited proposals, maintain visibility of opportunities under consideration, and prioritise opportunities for further investigation and development.

Based on the documentation reviewed and stakeholder consultations undertaken as part of this review, we assessed this dimension at 1.5 - Developing. While Council has established documented processes for receiving unsolicited proposals and opportunities can emerge from a range of internal and external sources, the review identified limited evidence of a structured process for generating opportunities from within Council, actively promoting Council's interest in receiving unsolicited proposals, maintaining visibility of opportunities across the organisation, or managing opportunities through a consolidated opportunity pipeline.

Specifically, we have noted the following observations:

1. Opportunity identification is largely decentralised and occurs on an ad hoc basis

The review identified three primary sources of potential commercial revenue opportunities: expansion or development of Council's existing assets, services, capabilities and expertise; opportunities identified internally by Council staff and business units; and opportunities received from external parties through unsolicited proposals. Stakeholders advised that opportunities are typically identified and progressed within individual business areas as part of their existing responsibilities, rather than through a coordinated organisation-wide process. The review did not identify an established framework or regular management process aimed at promoting, generating or capturing new commercial revenue opportunities across Council.

2. Council has prepared a draft documented process for receiving unsolicited proposals, but they are not actively promoted

Council has prepared a draft Unsolicited Proposals Policy and supporting Guidelines that establishes a robust framework for receiving, assessing and approving proposals submitted by external parties. The documentation reviewed outlines the circumstances in which unsolicited proposals may be considered and provides guidance for potential proponents seeking to submit opportunities to Council. However, our review identified that Council receives very few unsolicited proposals. Documentation reviewed indicated that two unsolicited proposals were received in 2023 and that no proposals meeting the unsolicited proposal criteria have been received since that time. It was noted during our review that Council's openness to unsolicited proposals is not actively promoted and information relating to unsolicited proposals is not easily accessible from Council's website homepage.

3. Opportunities are not managed through a consolidated opportunity pipeline

The review did not identify a centralised register, database or reporting mechanism used to record and track commercial revenue opportunities across the organisation. Stakeholders advised that opportunities are generally managed within the responsible business area and visibility of opportunities under consideration is dependent on existing management reporting processes and stakeholder awareness. Similarly, the review did not identify evidence of a consolidated pipeline that records opportunities progressing through various stages of identification, assessment, approval and implementation.

The review also identified that no single repository exists for tracking unsolicited proposals received by Council. Stakeholders advised that proposals not meeting the unsolicited proposal criteria may be referred directly to operating departments for consideration, however the review did not identify a mechanism for consolidating or tracking these opportunities across the organisation.

Dimension 2: Opportunity Identification & Pipeline Management (cont.)

Current State Assessment and Observations

4. There is limited evidence of a formal process to prioritise opportunities across the organisation

The review did not identify a documented framework for comparing and prioritising opportunities on a consistent basis. While opportunities may be considered individually once developed into business cases or formal proposals, there is limited evidence of an organisation-wide process for ranking opportunities based on factors such as strategic alignment, expected benefits, investment requirements, delivery complexity or resource availability.

In addition, the documented Unsolicited Proposals Guidelines establish a distinction between unsolicited proposals and minor proposals (valued below \$100K) which are referred to operating departments for consideration. The review noted a lack of clarity regarding how the threshold should be applied (annual revenue, investment required etc.). The review did not identify a documented process for consolidating or prioritising these opportunities alongside other commercial revenue initiatives being considered across Council.

Implication

Council has multiple channels through which commercial revenue opportunities can emerge, including existing operational activities, internally generated initiatives and unsolicited proposals from external parties. Council also has developed governance arrangements to receive and assess unsolicited proposals once they are submitted.

However, the absence of a structured process to promote, capture and manage opportunities across the organisation limits Council's visibility of potential commercial revenue opportunities and reduces its ability to consistently progress the most strategically valuable initiatives. Without a consolidated opportunity pipeline and prioritisation framework, opportunities may be dependent on the initiative of individual business areas, and Council may have limited ability to compare opportunities, allocate resources effectively or monitor the progression of opportunities through the commercial revenue lifecycle. Progressing to a Mature level would involve establishing a more coordinated and transparent approach to opportunity identification, pipeline management and opportunity prioritisation, supported by greater visibility of opportunities across the organisation.

Recommendations	Priority	Management Action Plan	Action Owner	Target Date
2.1 Enhance the visibility and management of unsolicited proposals: Review the current approach to promoting and receiving unsolicited proposals. This should include providing clearer access to unsolicited proposal information through Council's website, actively promoting Council's willingness to consider suitable proposals, and clarifying the definition and treatment of minor proposals to support consistent application of the framework.	Short-term	2.1 Review the existing unsolicited proposals framework, including relevant criteria, thresholds and governance pathways.	Associate Director Strategic Property & Commercial	30 Sep 2027
2.2 Establish a Commercial Revenue Opportunity Pipeline Framework: Develop a structured process to identify, capture and prioritise commercial revenue opportunities from both internal and external sources. The framework should include a central opportunity register, visibility of opportunities being considered across the organisation, and consistent criteria for prioritising opportunities based on strategic alignment, potential benefits, implementation complexity and resource requirements. The framework should support regular management review of opportunities and provide greater transparency regarding opportunities progressing through the commercial revenue lifecycle.	Medium-term	2.2 Review existing project and portfolio management arrangements to determine how commercial revenue opportunities can be identified, captured and monitored through existing systems.	Associate Director Strategic Property & Commercial	30 Sep 2027

Dimension 3: Opportunity Assessment & Business Case Development

Maturity Assessment

Current: 3 - Established

Target: 4 - Mature

Current State Assessment and Observations

The Opportunity Assessment & Business Case Development dimension considers the extent to which Council has established consistent processes, frameworks and supporting resources to assess commercial revenue opportunities. This includes the development of business cases, feasibility assessments, evaluation criteria, access to specialist expertise and the application of consistent assessment methodologies to support investment and decision-making.

Based on the documentation reviewed and stakeholder consultations undertaken as part of this review, we assessed this dimension at 3.0 - Established. The review identified three documented mechanisms that support the assessment of certain categories of commercial revenue opportunities including: Future Fund Policy, assessment processes documented within the draft Unsolicited Proposals Policy and Guidelines, and processes used to assess commercial property and leasing opportunities. However, the review identified limited evidence of a consistent assessment framework that applies common evaluation criteria and assessment requirements across all commercial revenue opportunities.

Specifically, we have noted the following observations:

1. Assessment approaches vary depending on the type of opportunity being considered

Commercial revenue opportunity assessment approaches vary depending on the type/source of opportunity being considered, with different governance requirements, supporting documentation and approval pathways applying across opportunity types. However, while these arrangements provide mechanisms for assessing specific opportunities, the review did not identify a single assessment framework or common methodology intended to support the assessment of commercial revenue opportunities across the organisation. Stakeholders also described a range of activities that may be undertaken when progressing significant opportunities, including business case development, financial analysis and engagement of specialist subject matter experts where required. However, only a limited number of relevant examples of projects progressing through the respective frameworks were identified during the review.

Several stakeholders identified the staged assessment and approval gateways within the draft Unsolicited Proposals Policy and Guidelines as a positive feature of the framework. In particular, the gateway-based approach is intended to enable opportunities that do not satisfy key requirements to be identified and discontinued at an early stage, reducing the need to invest significant time and resources in developing proposals that are unlikely to proceed.

2. Development of opportunities is primarily undertaken within existing business areas

Stakeholder consultations indicated that responsibility for developing and assessing opportunities generally resides within the originating business area, with support from Finance, Legal, and other specialist functions engaged as required. Stakeholders noted that business case development and assessment activities are typically undertaken in addition to existing operational responsibilities. The review did not identify a centralised mechanism for coordinating or supporting the development of new commercial revenue opportunities. Several stakeholders expressed concerns about having the specialist commercial and financial skills, experience and capacity required to progress opportunities from initial concept through to a developed business case.

3. There is opportunity to improve the role and application of the Future Fund

The review identified the Future Fund as a positive mechanism that supports Council's objective of growing non-rates revenue by providing a dedicated source of funding for strategic investments intended to generate future income streams. While the Future Fund Policy outlines principles and objectives for the use of the fund, stakeholders demonstrated varying interpretations regarding the range of opportunities that may be supported and whether the fund's use is limited to asset investments or if it could be utilised to support feasibility assessments, business case development or initial establishment costs associated with new revenue opportunities.

The Future Fund is primarily replenished through the disposal of under-performing assets, which may limit its long-term sustainability if asset sales do not continue. Consideration could be given to having alternative mechanisms to support this purpose or having additional reinvestment mechanisms to support the Fund's long-term sustainability and capacity to fund future opportunities, for example a proportion of future returns generated through Fund-supported initiatives or interest saved by the Fund, could be reinvested into the Fund or alternative mechanism.

Dimension 3: Opportunity Assessment & Business Case Development (cont.)

Maturity Assessment

Current: 3 - Established

Target: 4 - Mature

Current State Assessment and Observations

4. Assessment criteria and commercial decision-making parameters are not consistently defined

The review did not identify documented guidance establishing common assessment criteria, minimum investment thresholds, expected commercial returns, opportunity prioritisation criteria or other decision-making parameters intended to be applied consistently across commercial revenue opportunities. Similarly, no standard business case template or assessment methodology was identified to support consistent comparison of opportunities across different business areas and opportunity types.

Implication

Council has established a number of documented processes that can support the assessment of commercial revenue opportunities, including Future Fund Policy, assessment processes described within the draft Unsolicited Proposals Policy and Guidelines, and processes used to assess commercial properties and leasing opportunities. Stakeholders also described a range of assessment activities that would be expected to occur when progressing significant opportunities, including business case development, financial analysis and engagement of specialist expertise where required.

However, the review identified limited evidence of a consistent approach to assessing commercial revenue opportunities across the organisation. Assessment processes, supporting documentation and decision-making criteria vary depending on the opportunity type, originating business area and governance pathway through which opportunities are progressed. The review also identified differing stakeholder understandings regarding available support mechanisms and the potential use of the Future Fund to support opportunity development. Progressing to a Mature level would involve establishing a more consistent and transparent approach to opportunity assessment and business case development, supported by common assessment criteria, clearer guidance regarding available support mechanisms and funding pathways, and more consistent assessment requirements across opportunity types.

Recommendations	Priority	Management Action Plan	Action Owner	Target Date
3.1 Develop a Consistent Commercial Revenue Assessment Framework: Building on Recommendation 1.1 , establish a standardised framework for assessing commercial revenue opportunities, including common business case requirements, evaluation criteria, including target returns. The framework should support consistent consideration of strategic alignment, financial viability, risks and implementation requirements, while clarifying available support mechanisms and pathways for progressing opportunities from initial concept through to business case development. Existing assessment processes could be leveraged where appropriate.	Medium-term	3.1 Review existing business case, project management and assessment processes and develop a proposed commercial revenue assessment approach.	Associate Director Strategic Property & Commercial	31 Dec 2027

Opportunities for Improvement	Priority
3.2 Progressing to a mature level - As Council's commercial revenue framework continues to mature, consideration could be given to establishing clearer mechanisms to support the development of commercial revenue opportunities. This could include access to specialist commercial, financial, legal and property expertise, development of standard business case resources, and establishing a central point of coordination to assist business areas in progressing opportunities from initial concept through to assessment and business case development.	Medium-term
3.3 Progressing to a mature level - The Future Fund provides a strong foundation for supporting strategic income-generating investments. As Council's commercial revenue framework matures, consideration could be given to further enhancing the role of the Fund (or alternative mechanism) in supporting opportunity development and strengthening its long-term sustainability. This could include clarifying the circumstances in which the Fund (or alternative mechanism) may support activities such as feasibility assessments and business case development and exploring mechanisms for reinvestments towards future commercial revenue opportunities.	Long-term

Dimension 4: Governance & Decision-Making

Current State Assessment and Observations

The Governance & Decision-Making dimension considers the extent to which Council has established clear governance arrangements, roles, responsibilities, approval pathways and oversight mechanisms to support the assessment and progression of commercial revenue opportunities. This includes governance ownership, decision-making accountabilities, escalation pathways and the application of governance controls throughout the opportunity lifecycle.

Based on the documentation reviewed and stakeholder consultations undertaken as part of this review, we assessed this dimension at 3.0 - Established. Council has established a range of governance arrangements, policies and approval processes relevant to the consideration of commercial revenue opportunities. The documentation reviewed identified governance frameworks supporting unsolicited proposals, commercial property transactions, Future Fund investments and significant strategic initiatives. However, governance arrangements are primarily organised around specific opportunity types and business functions, rather than being integrated through a single governance framework for commercial revenue opportunities.

Specifically, we have noted the following observations:

1. Governance arrangements vary depending on the type of opportunity being considered

The review identified a number of documented governance mechanisms that support the identification, assessment and approval of commercial revenue opportunities. These include the draft Unsolicited Proposals Policy and Guidelines, Acquisition and Disposal of Land & Assets Policy, Future Fund governance arrangements and established Council reporting and approval processes. These governance arrangements are largely structured around specific opportunity types. For example, unsolicited proposals, Future Fund investments, property-related opportunities and strategic projects are each subject to different governance requirements, supporting documentation and approval pathways. The review did not identify a single governance framework intended to provide a consolidated approach to the governance of commercial revenue opportunities across the organisation. The documented frameworks reviewed establish governance responsibilities, decision-making authorities and approval requirements for the opportunity types to which they apply. Stakeholders also described a range of governance activities that may be undertaken when progressing significant opportunities, including executive review, Council reporting and engagement of specialist subject matter experts where appropriate.

2. Governance responsibilities are generally understood for significant opportunities

Stakeholders consulted during the review demonstrated a generally consistent understanding of the governance requirements and approval processes applicable to opportunities within their respective areas of responsibility. Stakeholders also described the involvement of Executive Leadership Team, Council, and other governance mechanisms depending on the nature and significance of the opportunity being considered.

However, the review identified a limited number of examples of new commercial revenue opportunities progressing through the full lifecycle, limiting the extent to which the practical operation of governance arrangements could be assessed.

3. Accountability for progressing commercial revenue opportunities is largely decentralised

Stakeholders advised that responsibility for identifying, assessing and progressing opportunities generally resides within the originating business area, with support from Finance, Governance, Legal, and other specialist functions engaged as required. The review did not identify a dedicated function or governance mechanism with responsibility for coordinating or maintaining oversight of commercial revenue opportunities across the organisation. Similarly, the review did not identify a formal governance forum/committee responsible for maintaining visibility of the broader portfolio of commercial revenue opportunities or monitoring opportunities as they progress through the opportunity lifecycle.

Dimension 4: Governance & Decision-Making (cont.)

Implication

Council has established a range of documented governance arrangements relevant to the assessment and approval of commercial revenue opportunities, including the draft Unsolicited Proposals Policy and Guidelines, Acquisition and Disposal of Land & Assets Policy, Future Fund governance arrangements and existing Council approval processes. Stakeholders consulted during the review also demonstrated a generally consistent understanding of the governance pathways and approval requirements that would apply to significant opportunities within their respective areas of responsibility.

However, the review identified that governance arrangements are largely organised around specific opportunity types and business functions, rather than operating through a coordinated governance model for commercial revenue opportunities. Governance responsibilities, approval pathways and oversight arrangements therefore vary depending on how opportunities originate and the mechanism through which they are progressed. In addition, responsibility for coordinating opportunities across the broader commercial revenue portfolio remains largely decentralised. Progressing to a Mature level would involve greater coordination, visibility and consistency across the governance lifecycle, while continuing to leverage the governance controls and approval frameworks that are already established within Council.

Stakeholder consultations also identified potential benefits in introducing more structured mechanisms to support governance oversight and prioritisation of opportunities as they progress through the commercial revenue lifecycle.

Opportunity for Improvement	Priority
4.1 Progressing to a mature level - As Council's commercial revenue framework continues to mature, consideration could be given to establishing clearer governance ownership and coordination of commercial revenue opportunities across the organisation. This could include introducing a dedicated forum/committee for reviewing and prioritising opportunities, formalising responsibility for maintaining visibility of opportunities as they progress through identification, assessment, approval and implementation, and improving oversight of the broader portfolio of commercial revenue opportunities.	Medium-term

Dimension 5: Implementation & Monitoring

Current State Assessment and Observations

The Implementation & Monitoring dimension considers the extent to which Council has established processes to support the implementation of approved commercial revenue opportunities and monitor the achievement of intended outcomes. This includes implementation planning, accountability for delivery, monitoring of performance against approved objectives, and the use of reporting and lessons learned to inform future decision-making.

Based on the documentation reviewed and stakeholder consultations undertaken as part of this review, we assessed this dimension at 2.0 - Developing. Our review identified a range of operational, project management and governance processes that may support the implementation and monitoring of commercial revenue opportunities. The review also identified existing financial, operational and project reporting mechanisms relevant to ongoing commercial activities and strategic initiatives. However, the review identified only a limited number of examples of commercial revenue opportunities progressing through implementation and monitoring. Therefore, limited evidence was available to demonstrate a consistent approach to implementing, monitoring and reporting on new commercial revenue opportunities.

Specifically, we have noted the following observations:

1. Implementation and monitoring arrangements are primarily embedded within existing operational and project governance processes

The review identified a range of financial, operational and project reporting processes used across Council which may support the implementation and monitoring of commercial revenue opportunities. Stakeholders advised that commercial revenue opportunities would typically transition into implementation through existing business unit, project management and governance arrangements, with implementation responsibilities and oversight mechanisms determined by the nature and scale of the initiative. Property-related initiatives, strategic projects, Future Fund investments and operational commercial activities may therefore progress through different implementation and oversight arrangements.

However, only a limited number of examples of opportunities progressing through implementation were identified during the review, limiting the extent to which implementation and monitoring practices could be assessed in practice. Based on the evidence available, the review did not identify a consistent framework for implementation oversight, monitoring or reporting of commercial revenue opportunities across the organisation, nor consolidated reporting on the performance of opportunities across the broader commercial revenue portfolio.

2. Benefits realisation and lessons learned processes have not been formally established

The review did not identify a documented process for evaluating whether implemented opportunities achieved their original objectives, delivered forecast financial outcomes or generated anticipated strategic benefits. Similarly, the review did not identify a structured process for capturing lessons learned from completed opportunities and applying these insights to future opportunity identification, assessment and implementation activities. Stakeholders indicated that outcomes may be considered through existing operational, financial and governance processes where relevant; however, evidence of a consistent benefits realisation approach specific to commercial revenue opportunities was not identified during the review.

Dimension 5: Implementation & Monitoring (Cont.)

Implication

Stakeholders described a range of existing operational, project management and governance processes that may support the implementation and monitoring of commercial revenue opportunities. The review also identified existing financial, operational and project reporting mechanisms that could be leveraged to monitor the performance of individual initiatives and commercial activities.

However, the review identified limited evidence of a consistent approach to implementing, monitoring and evaluating commercial revenue opportunities across the organisation. Implementation approaches, reporting arrangements and performance measures vary depending on the nature of the opportunity and the responsible business area. The review also did not identify a structured process for monitoring delivery against approved business case assumptions, evaluating whether opportunities achieved their intended outcomes, or applying lessons learned to future opportunities. Progressing to a Mature level would involve establishing a more consistent approach to implementation oversight, monitoring and benefits realisation, supported by greater visibility of outcomes across the commercial revenue opportunity lifecycle.

Recommendations	Priority	Management Action Plan	Action Owner	Target Date
5.1 Establish a Commercial Revenue Implementation, Monitoring and Benefits Realisation Framework: Develop a consistent approach for implementing and monitoring commercial revenue opportunities following approval. This should include defining expected outcomes and success measures during business case development, monitoring delivery against approved objectives, business case assumptions and decision parameters, and periodically assessing whether opportunities have achieved their intended financial, strategic and operational outcomes. Consideration should also be given to establishing a consistent approach for capturing lessons learned and incorporating these into future opportunity identification, assessment and implementation activities.	Long-term	5.1 Review existing project, budget and performance reporting processes and develop a proposed approach for monitoring benefit realization.	Associate Director Strategic Property & Commercial	30 Jun 2028

Appendices

Appendix 1: Maturity Assessment Matrix - CoA New Commercial Revenue

Dimension	Level 1 - Foundational	Level 2 - Developing	Level 3 - Established	Level 4 - Mature	Level 5 - Optimised
Strategic Direction & Revenue Prioritisation	Revenue diversification is recognised as a priority, however there is no clear articulation of priority revenue streams, desired outcomes or how opportunities should be pursued. Decisions are largely reactive and opportunity-driven.	Council has identified some revenue growth priorities or focus areas, however these are not consistently communicated, embedded in planning processes or reviewed. There is limited alignment between strategic objectives and opportunity development activities.	Council has documented priorities for non-rates revenue growth and regularly considers opportunities aligned to these priorities. Strategic direction is understood by key stakeholders, however targets and performance expectations are limited.	Revenue priorities are supported by measurable objectives, planning activities and regular review of emerging opportunities. Investment effort is increasingly directed towards agreed priorities rather than ad hoc opportunities.	Revenue priorities are routinely informed by performance results, market trends, strategic asset reviews and external benchmarking. Strategic priorities are actively reviewed and adjusted to maximise long-term outcomes.
Opportunity Identification & Pipeline Management	Opportunities are identified on an ad hoc basis through business units, elected members or external approaches. There is no central visibility of opportunities and limited ability to compare or prioritise them.	Mechanisms exist to capture opportunities, however visibility across Council remains limited and information is not consistently recorded or monitored. Prioritisation occurs largely on a case-by-case basis.	Opportunities from internal and external sources are recorded and tracked using a consistent process. Council has visibility of active opportunities, although pipeline reporting and prioritisation remain relatively basic.	Council maintains an active opportunity pipeline and periodically reviews opportunities against strategic priorities, resource requirements and expected benefits. Pipeline reporting supports decision-making and prioritisation.	Opportunity identification is embedded into planning, asset management, service review and stakeholder engagement processes. The pipeline is regularly refreshed through market scanning, benchmarking and strategic reviews.
Opportunity Assessment & Business Case Development	Assessment approaches vary significantly between opportunities and are largely determined by the responsible business area. Financial, strategic, legal and delivery considerations are assessed inconsistently and business cases are not standardised.	Basic assessment criteria exist for some opportunity types, however application is inconsistent. Opportunities may proceed without a complete understanding of risks, costs, benefits or implementation requirements.	Council has defined evaluation criteria and business case requirements for significant opportunities. Financial, strategic and risk considerations are typically assessed, however the depth of analysis and supporting expertise can vary.	Opportunities are assessed using consistent consideration of strategic fit, financial outcomes, risks, community impacts, legislative requirements and delivery feasibility. Appropriate legal, commercial, financial and procurement expertise is engaged where required.	Assessment methodologies are periodically reviewed and refined based on lessons learned and outcomes achieved. Decision-makers are supported by robust analysis, specialist advice and high-quality business cases.
Governance & Decision-Making	Governance arrangements are largely opportunity-specific and approval pathways can be unclear. Roles, responsibilities and decision-making requirements are not consistently understood.	Roles, responsibilities and approval pathways are documented for some opportunity types, however application varies and governance requirements may differ between business areas.	Governance responsibilities and decision points are clearly defined and consistently applied across major opportunities. Accountability is established and decision-making is supported by documented processes.	Decision-making is supported by standard assessment information, clear escalation pathways and governance requirements that are proportionate to the scale and risk of the opportunity. Governance is consistently applied across opportunity types.	Governance arrangements enable efficient decision-making while maintaining transparency, accountability and appropriate oversight. Governance effectiveness is periodically reviewed and improved based on experience and emerging risks.
Implementation & Monitoring	Opportunities are implemented through individual business unit approaches, with limited coordination or oversight. Responsibility for implementation is often informal and there is limited visibility of whether approved opportunities are delivered as intended. Monitoring is focused on individual initiatives and occurs inconsistently, with outcomes not routinely reviewed.	Some opportunities are supported by implementation plans and reviewed following delivery. However, implementation approaches vary between business areas, resource requirements may not be consistently considered during planning and there is limited oversight of delivery against approved objectives. Monitoring requirements vary and reporting focuses primarily on delivery activities rather than outcomes achieved.	Delivery responsibilities are generally defined and significant opportunities are typically implemented in accordance with approved business cases, funding arrangements and decision parameters. Council regularly tracks implementation progress and outcomes against approved objectives, although reporting remains largely initiative-specific.	Opportunities are delivered using consistent implementation and oversight practices. Progress, costs, risks and expected benefits are actively managed against approved objectives and decision parameters. Reporting provides visibility of the broader opportunity portfolio, delivery status, realised benefits and emerging risks.	Opportunities are consistently delivered in accordance with approved objectives, funding, timelines and expected benefits. Benefits realisation, lessons learned and performance trends are routinely monitored and used to improve future opportunity identification, assessment, implementation and decision-making. Continuous improvement is embedded across opportunity delivery practices.

Appendix 2 – Detailed Scope and Approach

CoA had a strategic objective to grow the share of its non-rates based revenue. The scope of this review considered the adequacy of CoA’s organisational approach and processes to:

- Identify potential new revenue streams.
- Efficiently, effectively and consistently evaluate the financial feasibility and strategic alignment of potential opportunities, including:
 - Capital investment requirements
 - Revenue potential
 - Operating costs
 - Sensitivity and risk analysis
 - Community impacts
- Assess legislative and policy implications.
- Manage conflicts of interest.
- Ensure appropriate governance and approvals.
- Monitor and report on the delivery of outcomes versus what was planned.

The scope did not include the processes associated with determining or varying the fees and charges of existing revenue streams (e.g. parking and existing commercial leases).

Further specific focus areas were agreed between BDO and CoA.

Our approach included the following phases:

Phase 0: Project Kick-off and Planning

Project kick-off and planning focused on establishing the foundation for an effective engagement, including consultation, confirmation of timelines and deliverables, identification of issues and scope exclusions, outlining information requests, and obtaining access to relevant documentation.

An initial kick-off meeting was held to confirm roles and responsibilities, introduce CoA representatives and the BDO team, and confirm the 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

- Obtained CoA’s suite of commercial revenue-related process and policy documentation, templates and assessment tools.
- Identified the main types of revenue streams, key process steps and controls in place in relation to new revenue streams, and the personnel involved.
- Identified key stakeholders.
- Conducted interviews with nominated CoA representatives to gain an understanding of the key processes relating to identifying and evaluating new commercial revenue streams (including their return on investment).
- Obtained case study examples of previously considered or implemented new commercial revenue projects to identify lessons learned.
- Obtained an understanding of CoA’s strategy and intended use of the Future Fund.

Appendix 2 - Detailed Approach (Cont.)

1b - Process and Documentation Review

- Reviewed CoA's suite of commercial revenue-related documentation obtained in Phase 1a.
- Documented, at a high level, the key commercial revenue processes, including the types of revenue streams, key process steps and controls in place, and the personnel involved.

Phase 2: Assessment of Process Adequacy

The Process Adequacy phase included the following steps:

- Conducted walkthroughs of a small number of previously considered commercial revenue opportunities to assess the evaluation and approval steps undertaken.
- Identified areas requiring improvement from a control, organisational and/or process improvement perspective.
- Undertook high-level desktop research into how other Australian state capital city councils approach commercial revenue opportunities, where practical.

Phase 3: Process Improvement

- Held preliminary discussions with CoA representatives to confirm the accuracy of findings.
- Worked with CoA representatives to develop tailored solutions to address identified control gaps and process improvement opportunities.

Phase 4: Report Results

- Prepared a summary of findings providing CoA with recommendations to enhance its commercial revenue management framework.
- Held closing meetings with CoA representatives regarding the review outcomes.
- Prepared a draft report and provided it to CoA representatives for management comments.
- Finalised the report.

Appendix 3 – Recommendation Priority Guidance

Recommendations have been prioritised based on the level of effort required, dependencies, and the extent to which they support progression toward higher maturity.

Priority	Timeframe	Criteria
Short-term	< 6 months	Actions that can be implemented relatively quickly using existing resources and processes. Typically focused on establishing foundational controls, improving documentation, or formalising practices that are already partially in place. These actions are expected to deliver immediate improvements in consistency, governance and control effectiveness.
Medium-term	6-12 months	Actions that require moderate effort, coordination across teams, or refinement of existing processes and systems. These initiatives often build on short-term improvements and support more consistent and structured application of asset management practices across the organisation.
Long-term	12-24+ months	Actions that involve more significant change, including system enhancements, development of new frameworks, or integration of data and processes across the asset lifecycle. These initiatives are typically dependent on the completion of earlier actions and are critical to achieving a more mature, data-informed and integrated asset management capability.

Appendix 4 - Comparison of Council Revenue Sources

Council Revenue Comparison - % of total revenue by source
2024-25 Actuals

	City of Adelaide	Brisbane City	City of Perth	City of Sydney	City of Melbourne	City of Gold Coast	Sunshine Coast	Cairns Regional	
	excl. Transport								
Rates, Levies and Annual Charges	59%	47%	56%	46%	46%	58%	74%	54%	53%
Statutory Charges	7%	12%	14%	43%	8%	8%	9%	10%	5%
User Charges, Commercial Items	29%				24%	15%			
Grants, Subsidies, Donations & Contributions	3%	15%	18%	2%	14%	10%	13%	26%	37%
Financial and Investment Income	0%	7%	8%	6%	4%	3%	2%	8%	1%
Other	1%	19%	4%	3%	4%	5%	1%	2%	3%
Statutory, User Charges relative to Rates and Charges	61%	25%		94%	68%	39%	13%	19%	9%

The above table summarises the % share of total council revenues from different sources. Please note that comparisons are impacted by significantly differing levels of grants and contributions (incl. for example, developer contributed assets and capital funding), differing cash/debt levels and the level of granularity provided in the financial statements.

To reduce the impact of these differences and to improve comparability, we have added an indicator which shows the amount of revenue generated from Statutory Charges, User Charges and Commercial items (e.g. property rental) as a % of Rates, Levies and Annual Charges.

Typical Split of LGA Council Revenues

Rates & Charges	50%
Own-Source Income	23%
Grants and Contributions	27%

Source: www.ascentral.com.au/aus-lga-income-sources-fy2024

Appendix 5 – Documents Assessed and Stakeholders Consulted

Documents Assessed

- City of Adelaide Strategic Plan 2024-2028
- City of Adelaide, Annual Report 2024-25
- City of Adelaide, Economic Development Strategy 2024-2028
- City of Adelaide 2026/27 Business Plan & Budget
- Procurement SA, Unsolicited Proposals Schedule 01/06/2023
- Draft Unsolicited Proposals Policy
- Draft Unsolicited Proposals Guidelines
- Future Fund Reserve Policy, July 2025
- Future Fund Governance Framework, BRM Advisory Report, February 2023
- Acquisition & Disposal of Land & Assets Policy, March 2025
- Acquisition & Disposal of Land & Assets Operating Guideline, March 2025
- Prudential Report, City East Project, BRM Advisory, 30/10/2025
- City of Adelaide Property Strategy, 2024
- Legal Advice letter from Norman Waterhouse re: acquisition of real property and commercial businesses outside council area as an investment 9/06/2023
- Flags and Banners Policy, 27/02/2024
- Treasury Policy, 22/07/2025
- 2024 LG Professionals Australasian Management Challenge, Executive Meeting Report (Park Lands Power Rangers Methane Capture Idea), 18/03/2024
- Adelaide Economic Development Agency Charter, 30/11/2023
- Brisbane City Council, Annual Report 2024-25

Appendix 5 – Documents Assessed and Stakeholders Consulted (cont.)

Stakeholders Consulted

- Anthony Spartalis, Chief Operating Officer
- Annette Pianezzola - Risk & Audit Advisor, Corporate Governance & Risk
- Tom McCready - Director, City Infrastructure
- Mike Philippou - Associate Director, Strategic Property & Commercial
- Shaun Coulls - Manager, Commercial & Property Leasing
- Jennifer Kalionis - Associate Director, City Culture
- Ilia Houridis - Director, City Shaping
- Noni Williams - Associate Director, City Operations
- Greg Ratsch - General Manager, Adelaide Economic Development Agency
- Andrew White - Executive Manager, Rundle Mall
- Mitch Woods - Associate Director, Finance and Procurement
- Nicole Van Berkel - Manager, Financial Planning & Reporting