

PROJECT BRIEF

Project Title:	City of Adelaide - Strategic Asset Management Review
Project Contact:	Rebecca Hayes, Associate Director, Governance & Strategy
Project Objective:	The objective of this audit is to assess the maturity and effectiveness of the Council's Asset Management Framework and its alignment with the Strategic Plan, Long-Term Financial Plan (LTFP), and Strategic Asset Management Plans (AMPs).
Background:	The CoA has developed strategic AMPs for the following significant asset classes covering a 10-year period (2024/25 to 2033/34): • Buildings • Public Lighting and Electrical Infrastructure • Park Lands and Open Space • Transport • Urban Elements • Water Infrastructure. These AMPs were developed in parallel to the Strategic Plan (2024-2028), LTFP (2025/26 to 2034/35) and City Plan (note: CoA does not have a specific Community Plan). We are aware that the AMPs are the responsibility of different stakeholders across Council and asset management processes differ across the asset classes. We note that the previous Chamber authorised the service standards which have been adopted in the AMPs. In addition, we will consider the relevant risks and controls identified in the Strategic Risk Assessment in our approach.
Scope & Approach:	The scope of the Asset Management Review will: • Assess the adequacy of the Council's AMPs including strategies and programs for asset creation, operation, maintenance, refurbishment, replacement, disposal, and performance monitoring to support organisational needs • Review the Council's approach to life cycle planning and forecasting of future operational and capital expenditure requirements • Evaluate the appropriateness of maintenance policies and whether defined service standards support asset availability, functionality, and sustainability in line with strategic and financial objectives. We will focus our review on the domains outlined in the BDO Asset Management Maturity Assessment Table (refer Appendix 1), which aligns with ISO 55000/55001 (Asset Management), as follows: 1. Leadership & Strategic Alignment 2. Planning & Risk Management 3. Lifecycle Delivery & Operations 4. Asset Information & Data Management 5. Decision-Making & Financial Sustainability 6. Performance Monitoring, Improvement & Assurance 7. Stakeholder Engagement & Community Value 8. Asset Condition Monitoring & Data Utilisation 9. Integration with Project Planning & Management.

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We are cognisant that the asset management maturity differs across the asset classes.

The review will have a strategic focus and will not consider the operational/ financial reporting aspects of asset management (e.g. maintenance processes, asset depreciation etc).

We note that this review will interface with the Annual Business Planning and Budget Process Review which will be delivered concurrently.

This project will be undertaken in consultation with Administration. The following stakeholders have been identified based on preliminary discussions:

- Associate Director Governance & Strategy
- Associate Director Finance & Procurement
- Associate Director Infrastructure
- Associate Director Park Lands, Policy & Sustainability
- Manager Strategy, Planning & Engagement
- Coordinator, Strategic Planning

Other relevant stakeholders will be consulted during the audit.

Our approach includes the following phases:

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

- Obtain and review CoA's suite of asset management documentation including: AMPs, LTFP, Strategic Plan, City Plan, asset management policies/procedures, capitalisation policy, asset condition data, reporting and any other relevant documents
- Conduct interviews with nominated CoA representatives to gain an understanding of the key processes and systems for each of the nine (9) asset management domain areas.
- Identify the key risk areas within the asset management processes.
- Document CoA's current asset management processes/controls (at a high-level) for each of the 9 asset management domain areas.

Phase 2: Assessment of Process Adequacy

- Consider the alignment of the AMPs against:
 - Legislative requirements (including community consultation requirements)
 - Relevant CoA policies/procedures (e.g. asset management policy, capitalisation policy)

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- Strategic Plan
- City Plan
- LTFP.

- For each of the 9 asset management domain areas, conduct an assessment of the design of asset management processes/controls against the criteria outlined in the BDO Asset Management Maturity Assessment Table
- Conduct “walkthroughs” and/or “testing” of key asset management processes/controls within each of the 9 asset management domain areas to assess operating effectiveness
- Based on the results of the asset management maturity assessment, identify areas requiring improvement from a control and/or process improvement perspective.

Phase 3: Process Improvement

- 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.

Phase 4: Report Results

- Prepare a summary of findings providing CoA with recommendations for enhancing processes, policies and procedures
- 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 November 2026.

Project Resources:

The estimated total cost to complete this project is \$35,000 (GST exclusive).
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.

Prepared by:

BDO

Agreed by:



Peter Horsman - Partner BDO

08/ 10 /2026

Rebecca Hayes - Associate Director,
Governance & Strategy

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Appendix 1 - BDO Asset Management Maturity Model

Domains	Ratings and Criteria				
	Level 1	Level 2	Level 3	Level 4	Level 5
Leadership & Strategic Alignment	No asset management policy/strategy, leadership disengaged.	Draft policy, limited support from leaders, weak alignment with Council Plan.	Policy and strategy approved, aligned with Council & Community Plans.	Policy and strategy approved, aligned with Council & Community Plans.	Leaders champion AM, embedding resilience, sustainability, and long-term stewardship.
Planning & Risk Management	Reactive risk handling, no structured risk register.	Basic risk register covering compliance/WHS only.	Risks documented across asset classes, integrated into corporate risk framework.	Proactive risk assessment, scenario planning embedded in AM.	Predictive modelling, resilience, and climate adaptation built into AM strategy.
Lifecycle Delivery & Operations	Reactive maintenance dominates, no structured lifecycle view.	Basic maintenance and renewal programs, short-term focus.	Documented lifecycle plans linked to Long-Term Financial Plan (LTFP).	Optimised lifecycle planning balancing maintenance, renewal, disposal.	Predictive maintenance, smart technologies, circular economy approaches applied.
Asset Information & Data Management	Incomplete/fragmented asset register.	Asset register exists but inconsistent across classes.	Reliable, standardised AM system integrated with GIS and financials.	Data-driven decision-making; systems integrated across council functions.	Real-time data, IoT/digital twins, advanced analytics driving optimisation.
Decision-Making & Financial Sustainability	Short-term, politically or budget-driven decisions.	Some long-term planning, weak funding alignment.	Decisions guided by AM Plans and LTFP, trade-offs considered.	Investment prioritisation balances service outcomes, risk, and sustainability.	Optimised, evidence-based investment ensuring intergenerational equity.
Performance Monitoring, Improvement & Assurance	No KPIs, no monitoring of asset performance.	Basic compliance reporting only.	Service-level KPIs defined, AM performance monitored and reported.	Benchmarking and performance outcomes drive improvement programs.	Continuous improvement embedded, independent assurance, sector leadership.
Stakeholder Engagement & Community Value	Minimal consultation, decisions internally focused.	Ad hoc consultation, not systematic.	Community engagement embedded in AM planning (e.g., annual asset plans).	Co-design with stakeholders; outcomes	Transparent reporting, strong trust, AM decisions



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Domains	Ratings and Criteria				
	Level 1	Level 2	Level 3	Level 4	Level 5
				measured in value-for-money terms.	demonstrably maximise community value.
Asset Condition Monitoring & Data Utilisation	No structured monitoring; decisions reactive to failures.	Basic inspections or breakdown data collected but inconsistent.	Condition assessments scheduled; useful life and renewal forecasts integrated into AM Plans.	Data integrated across systems; deterioration and failure trends tracked and analysed.	Real-time monitoring, predictive analytics, and scenario modelling drive proactive decision-making.
Integration with Project Planning & Management	Capital projects developed in isolation from AM planning.	Some reference to AM data in projects, but inconsistent.	AM Plans inform project prioritisation, with partial integration into capital works programs.	Full alignment between AM lifecycle planning and project delivery; governance ensures integration.	Seamless integration: AM Plans, capital projects, and service outcomes aligned through program governance, delivering long-term community value.