



# Audit and Risk Committee

## AGENDA & REPORTS

for the meeting

Friday, 14 June 2024  
at 2.00 pm

in the Colonel Light Room, Adelaide Town Hall

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Membership	The Lord Mayor (ex-officio) 1 Council Member 4 External Independent Members 2 Proxy Council Members
Quorum	3
Presiding Member	Nicolle Rantanen Reynolds
Committee Members	The Right Honourable the Lord Mayor, Dr Jane Lomax-Smith (ex-officio) Mark Davies Paula Davies Simon Rodger Councillor Jing Li

## 1 Acknowledgement of Country

‘Council acknowledges that we are meeting on traditional Country of the Kurna people of the Adelaide Plains and pays respect to Elders past and present. We recognise and respect their cultural heritage, beliefs and relationship with the land. We acknowledge that they are of continuing importance to the Kurna people living today.

And we also extend that respect to other Aboriginal Language Groups and other First Nations who are present today.’

## 2 Apologies and Leave of Absence

On Leave -

Presiding Member - Nicolle Rantanen-Reynolds

## 3 Confirmation of Minutes

That the Minutes of the meeting of the Audit and Risk Committee held on 15 May 2024, be taken as read and be confirmed as an accurate record of proceedings.

View public 15 May 2024 Minutes [here](#).

## 4 Declaration of Conflict of Interest

## 5 Presiding Member Reports

## 6 Reports

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6.6	Internal Audit Plan 2024/25	137 - 151

<b>7</b>	<b>Emerging Key Risks</b>	
<b>8</b>	<b>Independent Member Discussion</b>	
<b>9</b>	<b>Other Business</b>	
<b>10</b>	<b>Exclusion of the Public</b>	152 - 153
	In accordance with sections 90(2),(3) and (7) of the <i>Local Government Act 1999 (SA)</i> the Audit and Risk Committee will consider whether to discuss in confidence the reports contained within section 11 of this Agenda.	
<b>11</b>	<b>Confidential Item</b>	
	11.1 Strategic Property Review Internal Audit [s 90(3) (b)]	154 - 180
<b>12</b>	<b>Closure</b>	

## Interim Report on the 2024 External Audit - BDO

Friday, 14 June 2024

Audit and Risk Committee

Strategic Alignment - Our Corporation

**Program Contact:**

Nicole Van Berkel, Acting  
Manager Finance & Procurement

Public

**Approving Officer:**

Anthony Spartalis, Acting Chief  
Operating Officer

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## EXECUTIVE SUMMARY

Under Section 129 of the *Local Government Act 1999 (SA)* the Auditor must provide to Council a report on matters arising from the audit and specifically identify in the report, any irregularity in the Council's accounting practices or the management of the Council's financial affairs identified by the Auditor during the course of the audit.

BDO Chartered Accountants (BDO) completed their interim audit during the period 29 April 2024 through to 12 May 2024. As is normal practice and based on their work to date, BDO have provided an "Interim Report on the 2024 External Audit" to the Presiding Member of the Audit and Risk Committee, per **Attachment A**.

BDO's Interim Report notes they have identified no material deficiencies in internal controls which would impact audit testing or expose the Council to risk of material misstatement of results for the year ended 30 June 2024. A final report on matters arising from the audit will be provided to the Audit and Risk Committee at the September 2024 meeting.

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## RECOMMENDATION

### THAT THE AUDIT AND RISK COMMITTEE

1. Notes the report and the Interim Report on the 2024 External Audit as per Attachment A to Item 6.1 on the Agenda for the meeting of the Audit and Risk Committee held on 14 June 2024.
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## IMPLICATIONS AND FINANCIALS

City of Adelaide 2024-2028 Strategic Plan	<b>Strategic Alignment – Our Corporation</b> Financial sustainability is critical to achieving our vision and Council will prudently manage its revenue, costs, debt and assets.
Policy	Not as a result of this report.
Consultation	Not as a result of this report.
Resource	Not as a result of this report.
Risk / Legal / Legislative	Section 126(4)(c) of the <i>Local Government Act 1999 (SA)</i> identifies the functions of an Audit Committee as: “Reviewing the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the council on a regular basis”.
Opportunities	Not as a result of this report.
23/24 Budget Allocation	Not as a result of this report.
Proposed 24/25 Budget Allocation	Not as a result of this report.
Life of Project, Service, Initiative or (Expectancy of) Asset	Not as a result of this report.
23/24 Budget Reconsideration (if applicable)	Not as a result of this report.
Ongoing Costs (eg maintenance cost)	Not as a result of this report.
Other Funding Sources	Not as a result of this report.

# DISCUSSION

1. The external auditors for the Council are BDO Chartered Accountants (BDO). The role of the external auditor is to provide an opinion to Council with respect to the audited financial statements. In planning the audit, the auditor considers the internal controls to determine their audit procedures for the purpose of expressing an opinion on the financial statements, and the effectiveness of the financial control environment.
2. Under Section 129 of the *Local Government Act 1999 (SA)* the auditor must provide to Council a report on particular matters arising from the audit and specifically identify in the report, any irregularity in the council's accounting practices or the management of the council's financial affairs identified by the auditor during the course of the audit.
3. At the meeting of the Audit and Risk Committee on 16 February 2024, the Audit and Risk Committee endorsed the proposed 2023-24 End of Year financial reporting process and external audit timetable. The associated report highlighted that BDO had scheduled to carry out their audit in two parts with the interim audit conducted in May 2024 and the final phase of the audit concentrating on the Corporation's draft financial statements, to be carried out at the end of August 2024.
4. BDO has provided an "Interim Report on the 2024 External Audit" to the Presiding Member of the Audit and Risk Committee, per **Attachment A**.
5. At the time of the "Interim Report on the 2024 External Audit" BDO had not completed testing of all the core controls because some controls relate to annual processes and consequently will not occur until the end of the financial year, with such controls more closely aligned to testing normally conducted after year-end.
6. The controls yet to be tested yielded no exceptions in the prior year nor does current internal reporting indicate significant issues.
7. Based on the work-to-date, BDO's Interim Report notes they have identified no material deficiencies in internal controls that would lead to a qualification to the audit report on internal controls.
8. Key issues identified for consideration during the audit planning process included:
  - 8.1. Revaluation, depreciation, useful lives and residual values of Infrastructure, and Property, Plant and Equipment Assets.
  - 8.2. Accounting treatment of Capital Work in Progress.
  - 8.3. Management override of internal controls – standard compliance check.
  - 8.4. Recognition of grant funding and accuracy of any amounts deferred at 30 June 2024.
  - 8.6. Accounting for Assets Held for Sale and Discontinued Operations.
  - 8.7. Other Matters (Lease accounting and Accounting for Central Market Arcade Redevelopment)
9. It is appropriate that the Audit and Risk Committee notes the Interim Report on the 2024 External Audit.
10. In accordance with the agreed timetable endorsed by the Audit and Risk Committee at the 16 February 2024 meeting, BDO will present a final report on matters arising from the audit to the Audit and Risk Committee at the 27 September 2024 meeting.

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# ATTACHMENTS

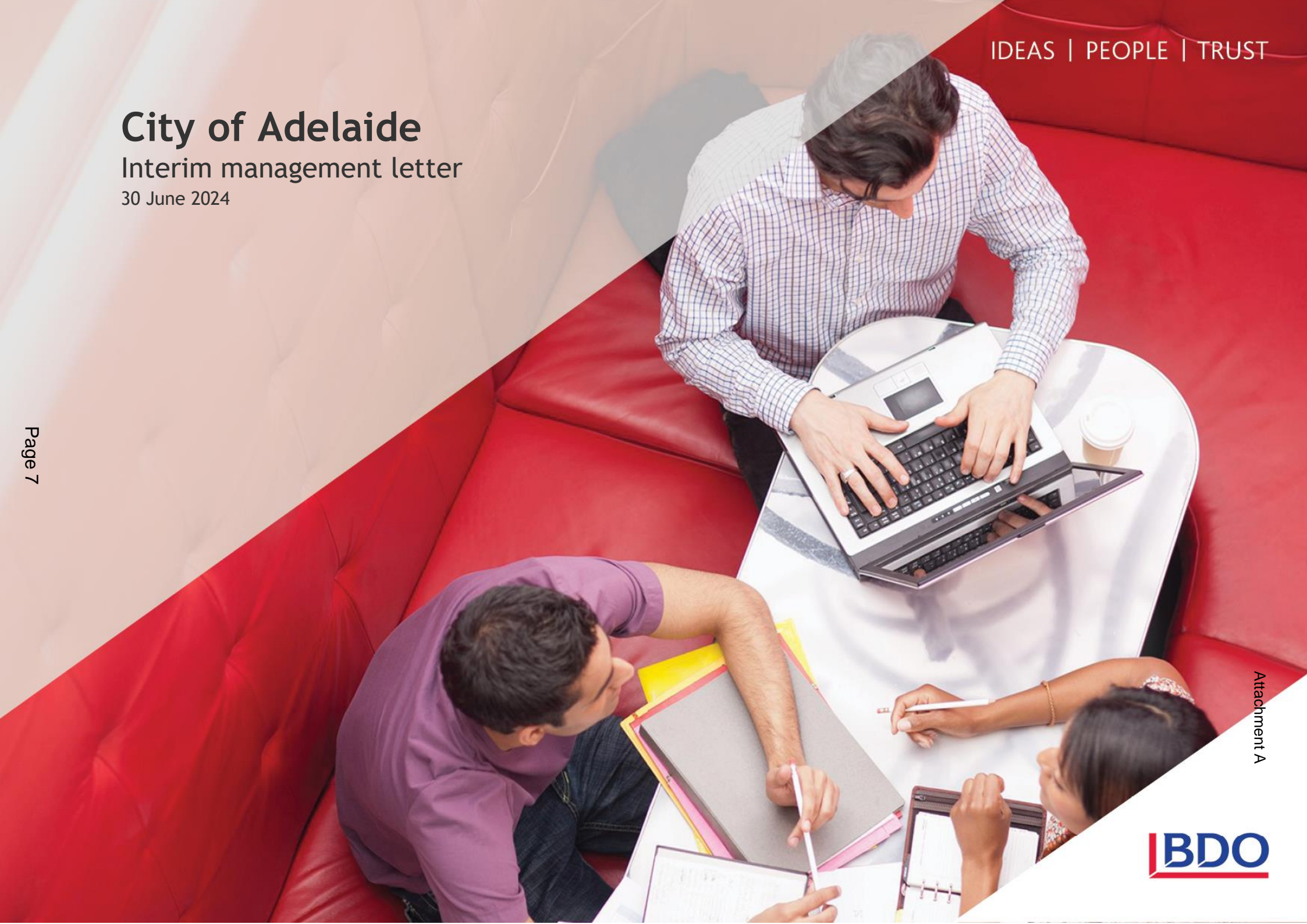
**Attachment A** – Interim Report on the 2024 External Audit

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- END OF REPORT -

# City of Adelaide

Interim management letter  
30 June 2024



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Dear Audit and Risk Committee Members

Thank you for the opportunity to present our interim management letter for City of Adelaide for the year ending 30 June 2024.

We have now completed our interim visit and finalised our audit plan for the audit. We acknowledge that there may be further business developments, circumstances may change and additional matters may arise. Our audit approach will be responsive to these changes and will maximise audit effectiveness so we can deliver the high-quality audit you expect.

This letter is intended solely for management and the Audit and Risk Committee and is not intended to be and should not be used by anyone other than these specified parties.

We welcome the opportunity to discuss this letter with you at the Committee meeting on 14 June 2024.

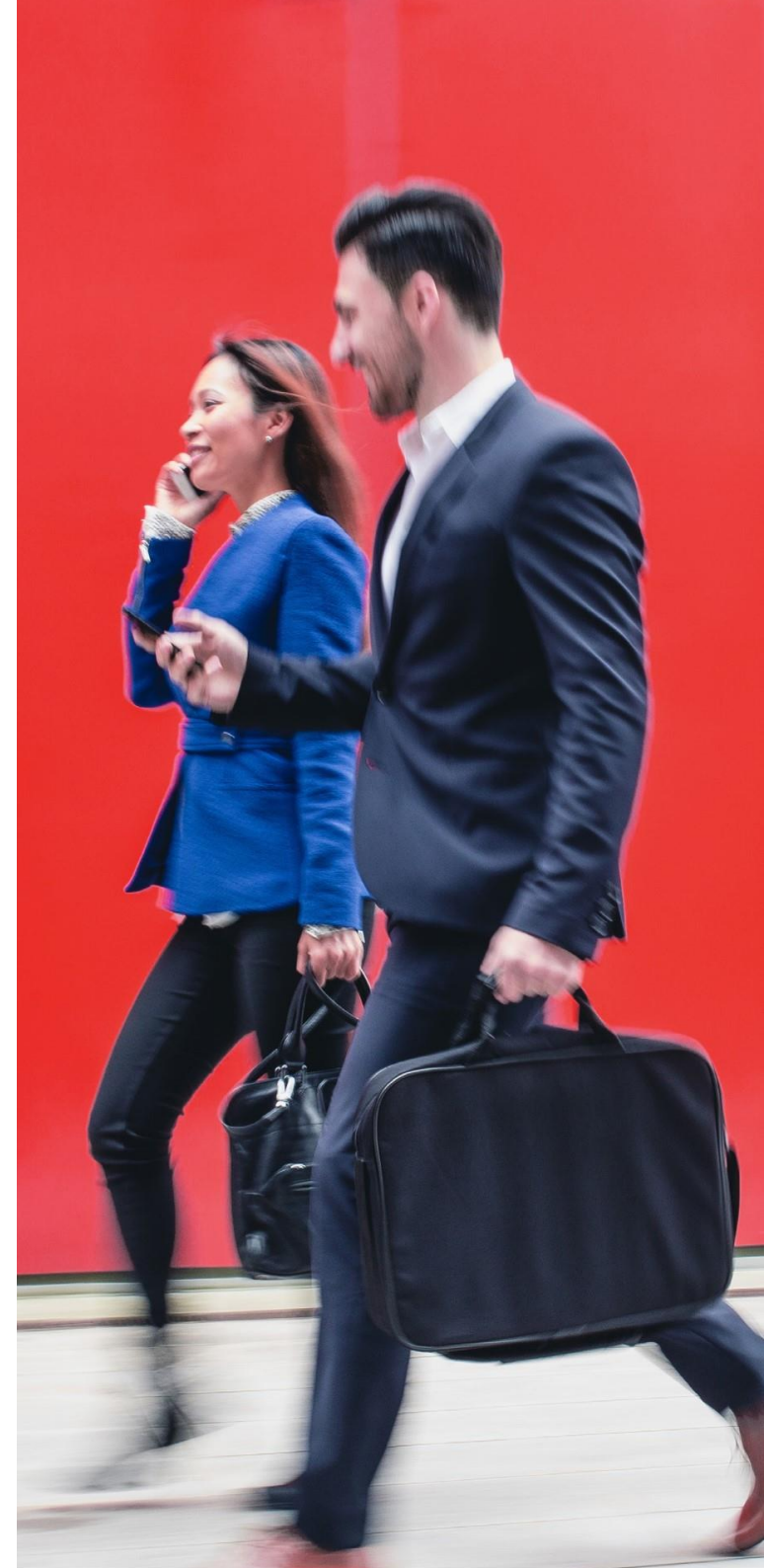
Please feel free to contact me on +61 8 7324 6147 if you have any questions or would like to discuss the content of this plan further.

Yours faithfully



**Linh Dao**  
Lead audit partner

Adelaide, 30 May 2024



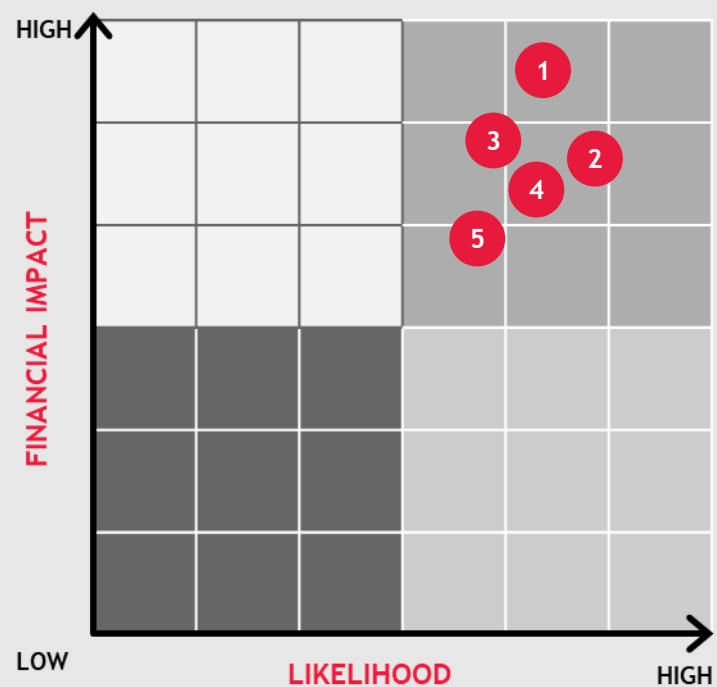
## Risk assessment and areas of focus update

In line with our audit approach and based on our understanding of City of Adelaide, we have identified the risks of material misstatement (RMM) at both the engagement and assertion level. In assessing the RMMs, we use a spectrum of risk based on the likelihood of a misstatement occurring and the magnitude of the misstatement in the context of our materiality. We use inherent risk factors (complexity, subjectivity, change, uncertainty or susceptibility to misstatement due to management bias or fraud) to drive risk identification and assessment.

Our initial assessment is shown in the matrix for the risks identified at the upper end of our spectrum (Significant and Elevated).

On the subsequent page we have set out our perspective on the potential impact on the financial statements and the status update on these key issues. We will continue to be alert for risks during the course of the audit and update our assessment and responses as required.

RISK MATRIX



KEY: ● SIGNIFICANT RISK ● ELEVATED RISK

## Risk assessment and areas of focus *continued*

#	AREAS OF FOCUS	OUR PERSPECTIVE	STATUS UPDATE
1	Revaluation of infrastructure assets	Council's infrastructure assets, land and buildings are carried at valuation. There is a risk that these balances are misstated as a result of the application of inappropriate valuation methodologies, or incorrect underlying assumptions.	<p>We have been briefed by management that there will be revaluations of Road, Stormwater and Drainage, Bridge, Kerb &amp; Water Table. We have had preliminary discussion with management on the proposed valuation methodologies for individual classes of assets.</p> <p>Management has also advised us that a decision was made to undertake indexation for certain material classes of assets in between formal revaluations to ensure the compliance with AASB 116 requirements. This year, indexation will be applied for the Footpath class of assets.</p> <p>We expect that the revaluation work will be completed before the commencement of our year-end visit.</p>
2	Accounting treatment of Capital Work in Progress (WIP)	There is a risk that the accounting treatment of items captured within Capital WIP may not be in accordance with Australian Accounting Standards.	<p>We have been briefed on the progress in relation to capital work in progress, in particular the capitalisation and/or expensing of items and the handover process of completed capital projects during the year. Similar to prior year, management does not intend to perform any manual capitalisation for assets that have reached practical completion before the reporting date as part of the year-end process and all capitalisation will happen in Assetic. Projects that have reached practical completion but not yet been capitalised to Assetic will remain in WIP and management has assessed that any depreciation impact on Council's surplus or deficit would be clearly trivial to the financial statements.</p> <p>It is expected that the underlying asset records and associated reconciliations for Capital WIP will be completed before the commencement of our year-end visit.</p>

## Risk assessment and areas of focus *continued*

#	AREAS OF FOCUS	OUR PERSPECTIVE	STATUS UPDATE
3	Management override of internal controls	Australian Auditing Standards require that we presume there is a risk that management has the ability to manipulate accounting records and override control that otherwise appear to be operating effectively.	Our interim testing has not identified any evidence of management override of internal controls. We will revisit this during our year-end visit, complete our testing and report our findings accordingly.
4	Cut-off of grant funding and accuracy of any amounts deferred at 30 June 2024	There is a risk of error in the calculation of grant income recognised and deferred at the end of the year by reference to grant agreements and Australian Accounting Standards.	<p>Council continued to be awarded a significant number of grants during the year. However, the ability to effectively spend these grants has been limited due to the shortage of contractors or internal resources. As a result, it is expected that there will be a significant portion of grant funding to be deferred as at 30 June 2024 and carried forward into following reporting period.</p> <p>We have been provided with Council's grant register and been briefed on management's assessment process to determine whether a grant is of capital or operating nature. We have made initial inquiries with management and will revisit this accounting during our year-end visit.</p>

## Risk assessment and areas of focus *continued*

#	AREAS OF FOCUS	OUR PERSPECTIVE	STATUS UPDATE
5	Assets held for sale & discontinued operations	<p>In prior year, Council reported \$26mil non-current assets held for sale relating to the former Franklin Street bus terminal. A contract for sale and purchase has been entered into with regard to this site during the year.</p> <p>Furthermore, Council and State Government entered into an agreement to develop a new Adelaide Aquatic Centre (AAC). Under this arrangement, the current AAC will cease operations from August 2024.</p> <p>These agreements are complex in nature involving various components that need accounting for separately under relevant Australian Accounting Standards.</p>	<p>Management's position papers have been provided to us for consideration for both transactions. Discussions have been had with management around the accounting treatment and requests for additional information/ audit supporting documents have been provided to management. We will revisit this during our year-end visit.</p>



## Risk assessment and areas of focus *continued*

### Other matters

#### Lease accounting

Council has a number of lease arrangements in place both as a lessor and a lessee. Subsequent to the presentation of our annual audit plan, we identified one additional risk with regard to the ongoing reassessment of lease accounting for changes during the year. We had initial discussion with management with regard to overall changes to the lease portfolio during the year and will reassess the impact at the year-end visit.

#### Central Market Arcade Redevelopment ('CMAR')

We have been briefed by management on the progress of CMAR project to date. We have held discussion with management about their considerations with regard to the accounting for any potential changes in the project, including cash flows. We will revisit the matter during our year-end visit to assess the measurement and recognition of any contract balances associated with the projects, as well as disclosures made in the financial statements.

# Internal Control Assessment

## Update on our audit opinion in relation to internal controls

We have commenced planning and testing of internal controls for the purpose of providing an audit opinion on Council's internal controls. Specifically controls exercised by the Council in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities are sufficient to provide reasonable assurance that the financial transactions of the Council have been conducted properly and in accordance with legislative requirements.

Our assessment of internal controls is based on the criteria in the *Better Practice Model - Financial Internal Control for South Australian Councils* as issued by the Local Government Association of South Australia.

At the time of this report, we have not completed all testing of core controls as some relate to annual processes and consequently will not occur until the end of the financial year, or others are more closely aligned to testing we would normally conduct after year end. The controls to be tested did not yield exceptions in the prior year nor does the current Promapp reporting indicate significant issues.

Based on the work to date, we have not noted any material exceptions that would lead to a qualification to the audit report on internal controls. We will continue our work on internal controls at the year-end visit and will report to Council accordingly.

Please contact me if you have any questions or need any further information.





## Appendix 1 New developments

### Changes in financial reporting for 30 June 2024

#### *AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates*

Effective for annual reporting periods beginning on or after 1 January 2023 (30 June 2024 year ends), these amendments clarify that accounting policies are only disclosed if they are material, and also introduce a definition of ‘accounting estimate’. Similar changes apply if preparing financial statements using Simplified Disclosures.

#### *Material accounting policies*

Accounting policies are typically only material if they relate to transactions and balances where:

- ▶ There is an accounting policy choice (such as cost or fair value)
- ▶ Significant judgements are made in applying a policy
- ▶ The accounting is complex and users would not otherwise understand the transaction
- ▶ There has been a change in accounting policy during the period and the impact on the financial statements is material, or
- ▶ The entity has developed an accounting policy applying the hierarchy in AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*.

‘Boilerplate’ accounting policies should be removed from financial statements, including those that merely duplicate or summarise the accounting requirements of IFRS® Accounting Standards. Superfluous accounting policies for transactions and balances that don’t exist should also be removed. This is likely to result in the majority of accounting policies being removed for 30 June 2024, with only

those meeting the criteria for ‘material’ being retained. Streamlining accounting policies will result in efficiencies in the audit process. Refer to this [article](#) for further guidance.

#### *Accounting estimates*

An accounting estimate is a monetary amount in financial statements that is subject to estimation uncertainty, such as estimating expected credit losses for receivables, or estimating the fair value of an item recognised in the financial statements at fair value. Accounting estimates are developed using measurement techniques and inputs. Measurement techniques comprise estimation techniques (such as used to determine expected credit losses or value in use) and valuation techniques (such as the income approach to determine fair value). The amendments clarify that a change in an estimate occurs when there is either a change in a measurement technique or a change in an input.

There will be no impact on the financial statements when these amendments are first adopted for 30 June 2024 because they apply prospectively to changes in accounting estimates that occur on or after the beginning of the first annual reporting period to which these amendments apply, i.e. annual periods beginning on or after 1 July 2023.

For further guidance, refer to the ‘Considerations for Management when determining accounting estimates and related disclosures’ [Briefing](#) issued by IAASB. This Briefing provides an overview of matters for management to consider in preparing for and responding to the significant revisions in, and the auditor’s requests pertaining to ASA 540 Revised *Auditing Accounting Estimates and Related Disclosures*.





## Appendix 1 New developments *continued*

### New developments in financial reporting

#### Amendments to AASB 101 for classifying liabilities as current or non-current

Effective for annual reporting periods beginning on or after 1 January 2024, there are three main changes to the classification requirements within AASB 101 *Presentation of Financial Statements*:

- ▶ The right to defer settlement must exist at the end of the reporting period. If the right to defer settlement is dependent upon the entity complying with specified conditions (covenants), the right to defer only exists at reporting date if the entity complies with those conditions at reporting date (paragraph 72B)
- ▶ Classification is based on the right to defer settlement, and not intention (paragraph 73), and
- ▶ If a liability could be settled by an entity transferring its own equity instruments prior to maturity (e.g. a convertible bond), classification is determined without considering the possibility of earlier settlement by conversion to equity, but only if the conversion feature is classified as equity under AASB 132 *Financial Instruments: Presentation* (paragraph 76B).

Classifying loans can be complicated where there has been a breach of a loan covenant, and can depend on whether and when the lender has provided a waiver or a period of grace. Our [publication](#) includes a flowchart and detailed examples to assist in this analysis.

Where a liability could be settled by an entity transferring its own equity instruments, such as for a convertible bond or note, this [publication](#) provides examples to assist with appropriate classification.

As these amendments apply for the first time to the 30 June 2025 balance sheet (and 30 June 2024 comparative balance sheet and 1 July 2023 opening balance sheet), at 30 June 2024, companies are in a position to assess the impacts regarding these changes. Entities must quantify the effect of any reclassification on current and non-current liabilities as part of disclosures about the effect of new standards issued that are not effective as at 30 June 2024.

#### **AASB 2022-5 Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback**

The accounting approach taken by entities entering into sale and leaseback transactions may potentially change significantly as a result of these amendments, which are effective for annual reporting periods beginning on or after 1 January 2024.

The amendments clarify that where a sale and leaseback transaction qualifies to be recognised as a sales transaction under IFRS 15 *Revenue from Contracts with Customers*, the seller-lessee must subsequently measure its lease liability from the sale and leaseback transaction in such a way that it recognises no gain or loss related to the right of use it retains.

In practice, this means that:

- ▶ The lease liability initially recognised by a seller-lessee for a sale and leaseback transaction includes variable lease payments that are not dependent on an index or rate if they can be reasonably estimated. The difference between the actual variable lease payments made, and estimated variable lease payments recognised as part of the initial lease liability will be recognised in profit or loss in the period in which they are incurred.



## Appendix 1 New developments *continued*

- ▶ If not part of a sale and leaseback transaction, lease liabilities do not include such variable payments, which are instead expensed in profit or loss in the period in which the event or condition that triggers those payments occurs.

This [bulletin](#) contains further information.

### **IFRS 18 *Presentation and Disclosure in Financial Statements***

On 9 April 2024, the International Accounting Standards Board issued IFRS 18 *Presentation and Disclosure in Financial Statements*, a new financial statements presentation standard to replace IAS 1 *Presentation of Financial Statements*. You can read more about this in our [recent publication](#).

The changes require income and expenses to be classified into five categories - investing, financing, income taxes, discontinued operations and operating (which is the residual category). Classification follows an entity's 'main business activities' so may differ from one entity to another. The Statement of Profit or Loss also includes two mandatory subtotals:

- ▶ Operating profit or loss - this is a sub-total of all income and all expenses classified as operating
- ▶ Profit or loss before financing and income taxes - this is the sub-total of operating profit or loss, and all income and expenses classified as investing.

There are also changes to the Statement of Cash Flows, including how interest and dividend cash inflows and interest cash outflows are classified.

Lastly, the financial statements must include new disclosures in single note about 'management-defined performance measures' such as earnings before interest, taxes, depreciation and amortisation (EBITDA), 'adjusted profit', operating profit excluding recurring items, etc. The new disclosures apply to 'management-defined performance measures' if they are used in public communications outside the financial statements, to communicate to users of financial statements, management's view of an aspect of the entity's financial performance. They do not apply to certain specific sub-totals in the Statement of Profit or Loss such as gross profit. They also do not apply to social media posts and oral communications, and to non-IFRS information based on financial measures that are not performance-related (such as measures based only on the financial position of the entity). Also, they do not apply if an entity makes no public communications (as may be the case for private companies).

The changes are effective for annual periods beginning on or after 1 January 2027.

If you have any questions or require more information regarding these changes, please contact our [IFRS & Corporate Reporting](#) team.

## Appendix 2 Climate reporting

### Mandatory climate reporting Bill introduced into Parliament

On 27 March 2024, the Australian Government followed its promise to mandate climate reporting in Australia by introducing the [Treasury Laws Amendment \(Financial Market Infrastructure and Other Measures\) Bill](#) (Bill) into Parliament. The Bill mandates climate reporting for entities required to prepare and lodge financial reports with the Australian Securities and Investments Commission (ASIC) under Chapter 2M of the *Corporations Act 2001* if they meet certain criteria (refer to table below).

Climate-related financial disclosures will be included in a separate sustainability report, as part of the annual financial report. The disclosures required will be set by the Australian Accounting Standards Board. Entities will also be required to obtain an assurance report over the sustainability report from their financial statement auditors. The AUASB will make standards to provide for the audit or review of this information, and also specify how the level of assurance will phase-in over time.

### Limited immunity

The Bill also contains limited immunity provisions for directors for the first three years covering statements about Scope 3 emissions, scenario analysis and statements about the entity's transition plans. Further immunity is provided for certain 'protected statements' made during the 12 months from the start date of the legislation for forward-looking climate statements.

### Timing

The start date outlined in the Bill may vary depending on when the Bill passes through both Houses of Parliament. While the Government announced that the new climate reporting requirements will commence on 1 January 2025 rather than 1 July 2024, the Bill anticipates that the start date could be later. For example, if the necessary amendments proposed in the Bill:

- a. Commence on or before 2 December 2024; the start date will be 1 January 2025
- b. Commence between 3 December 2024 and 1 June 2025; the start date will be 1 July 2025
- c. Commence on or after 2 June 2025; the start date will be the first 1 January or 1 July to occur 29 days or more after the day the amendments commence.

If the amendments don't pass by June 2025, mandating climate reporting will fall to the next government, as a Federal election is due no later than May 2025.

## Appendix 2 Climate reporting *continued*

### Criteria for reporting

The following table outlines the criteria and size thresholds for climate reporting, as well as the first mandatory reporting period end, assuming the entity has a 30 June reporting date and the start date for final legislation is 1 January 2025 or 1 July 2025:

	Large entities and their controlled entities meet at least two of three criteria			National Greenhouse Energy Reporting (NGER) reporters	Asset owners	Start date - 1 January 2025 or 1 July 2025
	<i>Consolidated revenue</i>	<i>End of financial year consolidated gross assets</i>	<i>End of financial year employees</i>			
Group 1	\$500 million or more	\$1 billion or more	500 or more	Above NGER publication threshold	N/A	30 June 2026
Group 2	\$200 million or more	\$500 million or more	250 or more	All other NGER reporters	\$5 billion assets under management or more	30 June 2027
Group 3	\$50 million or more	\$25 million or more	100 or more	N/A	N/A	30 June 2028

There will be a materiality exemption for Group 3 entities. They will not have to make climate-related financial disclosures if they do not have any material climate-related risks and opportunities for the financial period.

### More information

For the most up-to-date information regarding climate reporting, refer to the 'Australian reporting' Articles on [BDO's](#) website.

1300 138 991

[www.bdo.com.au](http://www.bdo.com.au)

**NEW SOUTH WALES**  
**NORTHERN TERRITORY**  
**QUEENSLAND**  
**SOUTH AUSTRALIA**  
**TASMANIA**  
**VICTORIA**  
**WESTERN AUSTRALIA**

### **AUDIT • TAX • ADVISORY**

We have prepared this report solely for the use of City of Adelaide. As you know, this report forms part of a continuing dialogue between the company and us and, therefore, it is not intended to include every matter, whether large or small, that has come to our attention. For this reason, we believe that it would be inappropriate for this report to be made available to third parties and, if such a third party were to obtain a copy of this report without prior consent, we would not accept any responsibility for any reliance they may place on it.

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[www.bdo.com.au](http://www.bdo.com.au)

## Data Protection and Privacy Internal Audit - KPMG

Friday, 14 June 2024

Audit and Risk Committee

Strategic Alignment - Our Corporation

**Program Contact:**

Kathryn Goldy, Acting Manager  
Governance

Public

**Approving Officer:**

Anthony Spartalis, Acting Chief  
Operating Officer

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## EXECUTIVE SUMMARY

In accordance with the 2023-24 Internal Audit Plan for the City of Adelaide (CoA), an internal audit was performed to assess the design of the CoA's process for compliance with relevant privacy legislations and to test the operating effectiveness of key controls.

This audit aligns with the Strategic Risk – Cyber Security: Exposure or loss resulting from a cyber-attack or data breach.

The internal audit identified eight findings. Two are risk-rated High, three are risk-rated Moderate and one is risk-rated Low. Two Improvement Opportunities were identified.

The Internal Audit Plan has been developed in consideration of Council's key strategic risks and critical priorities.

Internal audit is an essential component of a good governance framework. It is the mechanism which enables Council to receive assurance that internal controls and risk management approaches are effective, that it is performing its functions legally and effectively, and to advise how it can improve performance.

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## RECOMMENDATION

### THAT THE AUDIT AND RISK COMMITTEE

1. Notes the Data Protection and Privacy Internal Audit report provided as Attachment A to Item 6.2 on the Agenda for the meeting of the Audit and Risk Committee held on 14 June 2024.
  2. Endorses the responses of the Administration to the Data Protection and Privacy Internal Audit Report as outlined in Attachment A to Item 6.2 on the Agenda for the meeting of the Audit and Risk Committee held on 14 June 2024.
-

## IMPLICATIONS AND FINANCIALS

City of Adelaide 2024-2028 Strategic Plan	<b>Strategic Alignment – Our Corporation</b> Internal audit is an essential component of a good governance framework. It enables Council to ensure it is performing its function legally, effectively and efficiently.
Policy	Not as a result of this report.
Consultation	Not as a result of this report.
Resource	Not as a result of this report.
Risk / Legal / Legislative	Internal audit is an essential component of a good governance framework. It is the mechanism which enables Council to receive assurance that internal controls and risk management approaches are effective, that it is performing its functions legally, and effectively, and to advise how it can improve performance.
Opportunities	Internal audit focuses largely on compliance, risk management and improvement opportunities. As such audits suggest a range of improvement opportunities related to the area being reviewed, enhancing functions and services and aligning Council processes to best practice standards.
23/24 Budget Allocation	Not as a result of this report.
Proposed 24/25 Budget Allocation	Not as a result of this report.
Life of Project, Service, Initiative or (Expectancy of) Asset	Not as a result of this report.
23/24 Budget Reconsideration (if applicable)	Not as a result of this report.
Ongoing Costs (eg maintenance cost)	Not as a result of this report.
Other Funding Sources	Not as a result of this report.

# DISCUSSION

## Background

1. The Data Protection and Privacy Internal Audit was performed by KPMG, in accordance with the 2023-24 Internal Audit Plan.

## Report

2. This audit aligns with the CoA Strategic Risk – Cyber Security: Exposure or loss resulting from a cyber-attack or data breach.
3. The Data Protection and Privacy Internal Audit focussed on the assessment of the design of the CoA’s process for compliance with relevant privacy legislations and testing the operating effectiveness of key controls such as data management, data storage, privacy breach responses and management, including the way sensitive information is stored, retained and deleted if no longer required. The internal audit included a specific focus on the data protection and privacy practices adopted for the Customer Centre and Community Space areas of the CoA.
4. The objective of the Data Protection and Privacy Internal Audit included the following:
  - 4.1. Review of the design adequacy of the existing privacy policies and processes against the *Privacy Act 1988* (Cth), including but not limited to the following areas:
    - 4.1.1. Privacy governance structure, including roles, responsibilities and management.
    - 4.1.2. Privacy policies (internal/external).
    - 4.1.3. Privacy complaints and individual rights management process.
    - 4.1.4. Privacy incident and data breach management process, including consistency with the Notifiable Data Breach Scheme.
  - 4.2. Consideration of the implications of the proposed Privacy Act reforms and any core implications based on the CoA’s business model and current state privacy management practices.
  - 4.3. Performed a test of the implementation of privacy and security controls for the Customer Centre and Community Space areas of the CoA. Testing focussed on:
    - 4.3.1. Data collection notices, including how consent is obtained.
    - 4.3.2. Data retention and disposal, complaint management, access and correction request management and data breach management.
    - 4.3.3. Review of the IT application supporting the Community Space and Customer Centre process for the following: Access management, encryption, audit and logging, USB access, and monitoring of personal email access (upload of documents).
    - 4.3.4. Privacy Impact Assessment (PIA) or risk assessment processes in place to identify and manage privacy risks arising from new and/or changes in business initiatives/activities.
5. The findings of the internal audit are indexed into the following risk ratings:

Finding	Risk Rating
The CoA’s Privacy Governance Framework should be improved and streamlined	High
Inconsistent Information Lifecycle Management	High
Insufficient Disclosure of Call Recording Practices and Inconsistent Customer Verification Procedures	Moderate
Privacy breaches are not fully addressed in Response Plans	Moderate
Security controls managing personal information require strengthening	Moderate
Privacy Impact Assessments are not conducted on system/applications processing personal information	Low
Frequency of review of privacy framework documentation to be released	Improvement Opportunity
Develop an information asset register	Improvement Opportunity



6. Administration has considered the findings and provided actions and time frames to address these findings.

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## ATTACHMENTS

**Attachment A** – Data Protection and Privacy Internal Audit

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- END OF REPORT -

# Data Protection and Privacy

## Internal Audit Report

The Corporation of the City of Adelaide (CoA)

—  
May 2024

# Acknowledgement of Country

**KPMG acknowledges Aboriginal and Torres Strait Islander peoples as the First Peoples of Australia. We pay our respects to Elders past, present, and future as the Traditional Custodians of the land, water and skies of where we work.**

At KPMG, our future is one where all Australians are united by a shared, honest, and complete understanding of our past, present, and future. We are committed to making this future a reality. Our story celebrates and acknowledges that the cultures, histories, rights, and voices of Aboriginal and Torres Strait Islander People are heard, understood, respected, and celebrated.

Australia's First Peoples continue to hold distinctive cultural, spiritual, physical and economical relationships with their land, water and skies. We take our obligations to the land and environments in which we operate seriously.

Guided by our purpose to 'Inspire Confidence. Empower Change', we are committed to placing truth-telling, self-determination and cultural safety at the centre of our approach. Driven by our commitment to achieving this, KPMG has implemented mandatory cultural awareness training for all staff as well as our Indigenous Peoples Policy. This sincere and sustained commitment has led to our 2021-2025 Reconciliation Action Plan being acknowledged by Reconciliation Australia as 'Elevate' – our third RAP to receive this highest level of recognition. We continually push ourselves to be more courageous in our actions particularly in advocating for the Uluru Statement from the Heart.

We look forward to making our contribution towards a new future for Aboriginal and Torres Strait Islander peoples so that they can chart a strong future for themselves, their families and communities. We believe we can achieve much more together than we can apart.



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# Executive Summary

In accordance with the 2023/2024 Internal Audit Plan for the Corporation of the City of Adelaide (CoA), an internal audit focussing on the policies, processes, risks and controls relating to data protection and privacy was performed. The objective, scope and approach for this internal audit project are outlined below.

## Objective

This internal audit project focussed on the assessment of the design of the CoA's process for compliance with relevant privacy legislations and testing the operating effectiveness of key controls such as data management, data storage, privacy breach responses and management, including the way sensitive information is stored, retained and deleted if no longer required. The internal audit included a specific focus on the data protection and privacy practices adopted for the Customer Centre and Community Space areas of the CoA.

## Scope of Services

The scope of this internal audit included consideration over the following areas:

- Review of the design adequacy of the existing privacy policies and processes against the Privacy Act 1988 (Cth), including but not limited to the following areas:
  - Privacy governance structure, including roles, responsibilities and management
  - Privacy policies (Internal/External)
  - Privacy complaints and individual rights management process
  - Privacy incident and data breach management process, including consistency with the Notifiable Data Breach Scheme
- Consideration of the implications of the proposed Privacy Act reforms and any core implications based on the CoA's business model and current state privacy management practices.
- Performed a test of the implementation of privacy and security controls for the Customer Centre and Community Space areas of the CoA. Testing was limited to:
  - Data collection notices, including how consent is obtained
  - Data retention and disposal, complaint management, access and correction request management and data breach management
  - Review the IT application supporting the Community Space and Customer Centre process for the following: Access management, encryption, audit and logging, USB access, and monitoring of personal email access (upload of documents)
  - Privacy Impact Assessment (PIA) or risk assessment processes in place to identify and manage privacy risks arising from new and/or changes in business initiatives/activities.

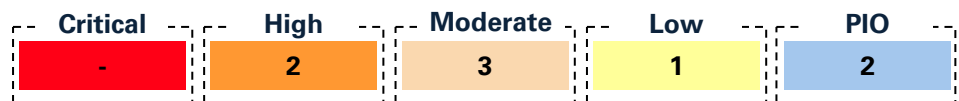
## Positive Observations

Several positive observations were noted from the CoA's approach to data protection and privacy, which are outlined below:

- Individual rights outlined in both internal and external privacy policies include details on how personal information is to be collected, used, stored and disclosed at the CoA.
- The CoA has implemented sound access management controls based on individuals' roles. An Approving Officer is designated to identify the level of access a user has within the system prior to the Information Management (IM) team providing access. The IM team regularly reviews access to systems and identifies users who are no longer with the organisation or have not accessed the system in the past 90 days.
- Ethical Hacking is performed within the CoA as a proactive measure to identify vulnerabilities and strengthen cybersecurity defences. By simulating cyber-attacks and conducting penetration testing, the CoA can identify potential risks and implement appropriate safeguards to protect its data.
- The CoA demonstrated compliance with PCI DSS (Payment Card Industry Data Security Standard) indicating that the organisation has sufficient security rigor around payment card data. Credit card details are not stored in any of the systems, and controls are in place to ensure employees do not capture or store individual's credit card details as part of the processing of transactions.

## Key Findings and Recommendations

The number of findings identified during the course of this internal audit is shown in the table below with the detailed findings further outlined in this report. Classification of internal audit findings are detailed in Appendix 7. These findings and recommendations were discussed with the CoA Management. Management has accepted the findings and has agreed action plans to address the recommendations.



# Background

## Australian Privacy Act 1988 (Cth)

The Australian Privacy Act 1988 (Cth) (the Act) regulates how personal information is collected, used and disclosed by organisations within Australia. The Act sets out the Australian Privacy Principles (APPs), which serve as standards for the collection, use, storage, disclosure, protection and disposal of personal information for Australian APP entities. The CoA has chosen to comply with the Privacy Act and has implemented process, procedures and controls to ensure adherence to the Act.

In 2022, the Federal Government announced a review of the Act, with a view of bringing the Act into the digital age, uplifting protections for personal information, and increasing the transparency and control for individuals over their personal information.

The reforms will remove several existing exemptions and require organisations to adapt their processes and controls to ensure compliance and a proactive stance in data protection. These reforms, and particular areas of potential impact for the CoA, are outlined across key pillars in Appendix 4. Key areas such as redefining personal information, individual rights, notifications and security protocols will be impacted by these changes. By remaining well-informed of these potential changes, the CoA can ensure continued adherence to these evolving regulatory standards.

## Notifiable Data Breach Scheme

The Notifiable Data Breach Scheme (NDB) is a scheme based on an amendment to the Australian Privacy Act 1988, the Privacy Amendment (Notifiable Data Breaches) Act 2017. Under the NDB scheme, APP entities are obligated to notify individuals and the OAIC when an eligible data breach is likely to impact individuals whose personal information is involved.

As a part of this scheme, organisations must conduct a swift investigation and assessment of a suspected breach, and if confirmed, must notify the affected individuals enabling them to take preventative actions. This mechanism is designed to improve the protection of personal data and to strengthen the trust between the public and organisation that handles personal information.

Currently, the CoA does not have a reporting mechanism within their breach response policies/plans regarding reporting breaches to the OAIC. In addition, the indicative reporting timelines were also not documented (refer Finding 4 for further details).

Interactions with customers are governed by the CoA's Privacy Policy. To support this, further guidelines (Customer Centre - Privacy & Contacting Owners, CHSP Guideline – Confidentiality, Privacy and Information Management) were provided by the business units that were reviewed for this internal audit.

## Overview of the business units reviewed during this internal audit:

### *Customer Centre:*

The Customer Centre team is the first point of contact for customers. Customer Service Officers (CSO) handle phone, email and webform inquiries while Team Leaders provide support and guidance as the primary escalation point for customers. Inquiries are triaged to the respective business unit depending on the inquiry type. In some areas within the organisation, such as the Property and Rates team, a customer may directly contact the business unit.

As a part of their BAU activities, CSO Officers may be required to record customer data which includes, but is not limited to: name, property details, contact details and date of birth. At a high level CSO Officers record basic customer data before triaging the call to the respective business unit where a more detailed inquiry may occur, which may also include the collection of sensitive information. The data is centrally stored within Pathway, the CoA's Customer Relationship Management (CRM) System, and is one of the key systems used by the CoA.

### *Community Space:*

Community Space manages the Commonwealth Home Support Programme (CHSP), a national government initiative that provides support services for ageing residents living independently. The services provided range from home maintenance to personal care and nursing. To be eligible for the program, residents are requested to contact MyAgedCare for eligibility screening before redirected to the CoA to further identify what services are required. The CoA has contracted HenderCare to provide services and action job requests raised by the CoA on behalf of the individual.

Due to the nature of the role, Community Space employees are exposed to sensitive customer information such as medical records and income details. Customer data is stored through a third-party service management system called Alchemy SMS. The CoA has an ongoing relationship with Alchemy Technology as the vendor managing the system.

# Background (cont.)

The CoA has established a Privacy Policy that aligns, as far as practicable, with the privacy principles outlined in the Privacy Act 1998 (Cth). This policy sets the expectations for individuals as to the CoA's processes for the management of personal information.

## Roles and responsibilities

While roles and responsibilities are informally defined within the Privacy Policy, through stakeholder interview it was identified that the Risk and Governance team play a role in ensuring both internal and external privacy policies are maintained and accessible. This includes ensuring that employees undergo an annual security training to uphold data security standards and are also overseeing any Personally Identifiable Information (PII) access requests, with four Freedom of Information (FOI) Officers supporting these requests. Enforcement of security and privacy controls is the responsibility of the Information Management (IM) Team which also includes system management and provisioning access for users.

## Policies and Procedures

To support the privacy governance framework, several guidelines and processes have been developed to assist in privacy management, with ownership of these documents largely managed by the Information Management (IM) team.

Central to these documents are the internal and external privacy policies. Other policies and guidelines used are outlined below:

- IM Work Instruction – User Creation Modification
- Use of Information System Operating Guideline
- BCP & IT Disaster Recovery Plan
- Records Management Operating Guideline
- Unreasonable Complainants Operating Guideline

Although relevant to privacy management, it was noted through stakeholder interviews that an information classification policy or procedure has not been developed due to an internal business decision.

## Individual Rights Management and Complaints

The Customer Centre Team is the first point of contact for customers. Inquiries or complaints concerning individual's privacy rights are handled by the Customer Centre team before the issue is escalated to the Risk and Governance team for further resolution.

Should a customer decide to request their PII to be accessed or released, an FOI request is raised within the team with one of the four FOI officers assisting the customer, ensuring only the data pertaining to the customer is provided.

## Information Security

Information Security within the CoA is managed by IM who are responsible for managing and securing the CoA's technological environment. The IM Team is responsible for managing security controls across the systems they manage, including systems that contain sensitive or confidential information. This team also enforces Role Based Access Control (RBAC) with regular reviews conducted to ensure employees have appropriate access levels.

The IM team also monitors document uploads and downloads, preventing unauthorised data transfer and ensuring compliance with the CoA's data security policies. Disposal and retention of Records is overseen by the Records Management Team who work closely with the IM team.

IM serves as the central point for any technology related issues and is the first point of contact when managing cyber incidents or data breaches.

## Third-Party Management

Procurement of new systems requires IM's input to assess if vendors have sufficient controls with regard to PII. For areas sampled during this review, it was noted that the CoA uses third-party systems as references in their day-to-day activities (for example, Customer Centre uses EzyBill, EzyReg and Community Space (City Lifestyles) uses My Aged Care, My Gov). Additionally, Property & Rates and Community Space (City Lifestyles) have contracted other non-government third parties for key areas of support (which are further outlined in the observation section of this report).

## Training and Awareness

The CoA employees are required to complete privacy training as part of their onboarding process with a refresher course conducted every two years and enforced by the Risk and Governance team. Within each business unit, specialised training is provided to employees handling sensitive data, such as employees in the Customer Centre and Community Space.

As the first customer interaction point, Customer Centre trains its employees on how to manage customer data, handle customer complaints, verify user identities and how to manage payment card details to remain compliant with PCI DSS. Similarly, the Community Space emphasises obtaining consent and managing PII, considering that the business unit deals with sensitive medical information. Documents and guidelines are available to employees within these units to support adherence to privacy risk management standards.

# Background (cont.)

Key: ✓ Positive Observations    ⦿ Gaps

As outlined within the scope, two business units were further assessed. The table below provides a summarised overview of the observations that were noted during documentation review and stakeholder interview. Observations were categorised according to KPMG’s Privacy Management Framework (as outlined in Appendix 1). The Governance and Operating Model domain is covered separately on page 5 of this report.

Domain	Community Space	Customer Centre
Inventory/Data Planning	<ul style="list-style-type: none"> <li>⦿ Data is stored in Alchemy SMS with the CoA reliant on the vendor to securely store content which is both sensitive and non-sensitive in nature.</li> <li>⦿ Presently there is no inventory/data mapping of the Alchemy SMS as the system is standalone and not integrated into any other system.</li> </ul>	<ul style="list-style-type: none"> <li>⦿ No Data Mapping/Inventory documentation has been performed. The IM team is currently mapping data stored within each system, however this inventory assessment is currently a work in progress.</li> </ul>
Risk, Control and Monitoring	<ul style="list-style-type: none"> <li>⦿ Reliance on Alchemy SMS vendor to manage and mitigate risks.</li> <li>⦿ No Privacy Impact Assessment or initial risk assessment was conducted prior to the procurement of the system or on a periodic basis thereafter.</li> </ul>	<ul style="list-style-type: none"> <li>✓ The Pathway System is monitored and managed by the IM team and the IM team has oversight over the system. Issues identified within the system are raised to the IM team for remediation.</li> <li>⦿ Initial and ongoing Privacy Impact Assessments have not been conducted for Pathway.</li> </ul>
Regulatory Management	<ul style="list-style-type: none"> <li>✓ The CoA is PCI DSS Compliant, with employees informed and advised that credit card details should not be stored within any of the systems or in writing.</li> <li>⦿ Privacy Policy does not identify departments/areas responsible for privacy regulatory management and enforcement.</li> </ul>	
Information Lifecycle Management	<ul style="list-style-type: none"> <li>✓ An annual paper-form is provided to customers requesting feedback and update of their personal information. The form is scanned by the Records Management team and is stored in their EDRMS system prior to the form being uploaded to Alchemy SMS.</li> <li>⦿ Customer PII is retained within Alchemy SMS and does not integrate with other CoA systems.</li> <li>⦿ Unused Customer PII is hidden rather than archived, with users still able to access the archived data.</li> <li>⦿ There is reliance on the vendor to adhere to state record disposal schedules.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Customer PII is collected through the omnichannel contact offerings available in the CoA. Customer data is centrally stored within Pathway.</li> <li>⦿ The current CRM system does not offer single customer view to provide a single source of truth for customer data. Data is siloed with users required to search through the system to identify if there are other interaction points with the customer.</li> <li>⦿ Updates of personal information is ad-hoc within the system. Customer PII is updated when a customer requests it or when a third-party provides more up-to-date data.</li> <li>⦿ Customer data is archived indefinitely within the CoA.</li> </ul>

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# Background (cont.)

Key: ✓ Positive Observations    ⦿ Gaps

Domain	Community Space – City Lifestyles	Customer Centre
<b>Policies, Notices and Consent</b>	<ul style="list-style-type: none"> <li>✓ Annual feedback forms provide a disclaimer regarding data collection and references the CoA Privacy Policy.</li> <li>✓ There is a policy outlining the importance of the consent in collecting data as outlined in the Privacy Act 1988 (cth).</li> <li>✓ Processes for obtaining consent and providing notifications are outlined in the CHSP Guideline – Confidentiality, Privacy and Information Management document.</li> </ul>	<ul style="list-style-type: none"> <li>✓ External Privacy Policy visible and accessible within the CoA’s website.</li> <li>⦿ Current call transcripts do not provide recordings or prompts for privacy notifications for customers inquiring via phone calls.</li> <li>⦿ Personal information collection notices are not always provided before or after collecting customer PII.</li> </ul>
<b>Incident Management</b>	<ul style="list-style-type: none"> <li>✓ A BCP Plan has been developed for the CHSP program which provides an overview of the potential scenarios, recovery strategies, maximum acceptable outage and key contacts.</li> <li>✓ Cyber incidents related to Alchemy SMS are managed by the vendor with the IM team kept informed.</li> </ul>	<ul style="list-style-type: none"> <li>✓ BCP/IT DR Plan outlines the process to escalate critical incidents regarding Pathway.</li> <li>✓ Issues with the system generally resolved by IM or escalated to the vendor if IM are unable to resolve them.</li> <li>⦿ A guideline has been developed for unreasonable complaints but the content does not include requirements for privacy related complaints.</li> </ul>
<b>Process, Procedures and Technology</b>	<ul style="list-style-type: none"> <li>✓ Alchemy SMS is hosted on the cloud and is regularly patched or updated by the vendor, with the CoA informed about the changes through a newsletter or through a regular meeting cadence.</li> <li>⦿ The CoA is reliant on vendor to manage the system and adhere to current regulatory management and legislation.</li> <li>⦿ Alchemy SMS is not integrated to any CoA systems resulting in data duplication across systems.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Pathway is integrated to other core systems such as TechnologyOne, resulting in better data quality and accuracy through integrations between systems.</li> <li>⦿ The current CRM system does not offer single customer view to provide a single source of truth for customer data. Data is siloed with users required to search through the system to identify if there are other interaction points with the customer.</li> </ul>
<b>Security for Privacy</b>	<ul style="list-style-type: none"> <li>✓ Role Based Access Controls are established within Alchemy SMS. To onboard new users, a form must be submitted to the vendor identifying the access level of the user.</li> <li>✓ Government managed systems, such as MyGov and My Aged Care, are accessed through a secure portal with users able to upload and download the relevant information.</li> <li>⦿ The current Alchemy SMS contract outlines the security controls within the data centre but does not outline what additional controls they have for protection of personal information managed within the system.</li> <li>⦿ Job Requests and care plans containing sensitive information are provided as a pdf attachment in email to HenderCare.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Role Based Access Controls are established within the organisation and within the Customer Centre space. An Approving Officer within the team identifies the access level of the new user with IM actioning the request.</li> <li>✓ Pathway has audit logs that enable the CoA to generate reports that identify user access to the system.</li> <li>⦿ The single managed inbox for all emails does not enable users to distinguish if content contains sensitive information. Customers are able to send sensitive information with all CSO officers able to access it.</li> <li>⦿ There is no secure platform used to transfer sensitive information to non-government associated third parties and contractors.</li> </ul>

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# Background (cont.)

Key: ✓ Positive Observations    ⦿ Gaps

Domain	Community Space – City Lifestyles	Customer Centre
Third-Party Management	<ul style="list-style-type: none"> <li>✓ Contract with HenderCare established by the CoA through its procurement team and addresses key areas of concern in relation to data protection.</li> <li>✓ Monthly account meetings have been established with the vendor to discuss issues or concerns with the system.</li> <li>⦿ Management of Alchemy Technology relies on Community Space team with IM having minimal oversight.</li> </ul>	<ul style="list-style-type: none"> <li>✓ The CoA utilises government owned systems such as EzyBill and Ezy Reg (parking expiation) to assist in providing their services. Content from these system obtained or uploaded through a secure platform.</li> <li>⦿ Property and Rates currently have a contract with Lanes Communication, a printing agency used for rates notices. Customer details are transmitted through an unsecured email bi-quarterly.</li> </ul>
Training and Awareness	<ul style="list-style-type: none"> <li>✓ Privacy training is provided at staff induction with mandatory refresher courses conducted every two years.</li> <li>✓ Additional guidelines and processes in place to ensure Community Space employees obtain consent from customer.</li> <li>⦿ Community Space employees are aware of their obligations regarding consent and collection of customer PII, however there is risk associated with current practice of unsecured transmission of sensitive information to HenderCare.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Privacy training is provided at staff induction with mandatory refresher courses conducted every two years.</li> <li>✓ CSO officers trained to handle customer inquiries and to record customer data on an as-needed basis only.</li> <li>✓ Credit card details are not recorded physically or within the system and officers are directed to immediately delete any details captured.</li> </ul>

# Internal Audit Findings

Internal Audit identified 2 high risk-rated findings, 3 moderate risk-rated findings, 1 low risk-rated finding and 2 performance improvement opportunities (PIO). The details of the findings are provided in the 'Detailed Findings' section of this report. These findings have been individually rated as outlined below. The classifications of risk ratings in this report are based on the CoA's risk ratings (as shown in **Appendix 7**).



Rating	Ref #	Description
High	F1	The CoA's Privacy Governance Framework should be improved and streamlined
High	F2	Inconsistent Information Lifecycle Management
Mod	F3	Insufficient Disclosure of Call Recording Practices and Inconsistent Customer Verification Procedures
Mod	F4	Privacy breaches are not fully addressed in Response Plans
Mod	F5	Security controls managing personal information require strengthening
Low	F6	Privacy Impact Assessments are not conducted on system/applications processing personal information
PIO	PIO1	Frequency of review of privacy framework documentation to be reassessed
PIO	PIO2	Develop an information asset register

# Detailed Findings

# Observations and Recommendations

Rating: High

## Finding 1: The CoA’s Privacy Governance Framework should be improved and streamlined

Observations	Recommendation(s)	Agreed Management Actions
<p>The current internal Privacy Policy lacks a robust privacy governance framework, including assignment of roles and responsibilities and details on reporting. Observations on this finding are noted below:</p> <p><b>A) Privacy roles and responsibilities not documented</b></p> <p>Roles and responsibilities had not been defined and documented within the CoA’s internal Privacy Policy. On review of the CoA’s Data Management Operating Guideline, key roles and responsibilities associated with data governance and management have not been formally defined, this includes a lack of privacy related responsibilities detailed. Additionally, whilst the document specifies the process and management of data, it does not cover governance of personal information.</p> <p>Further, issues or escalations around the management of personal information are being managed by the Risk and Governance team. Additionally, the IM team are responsible for assessing any technology related privacy risks. This has the potential to lead to uncertainty or unawareness amongst the CoA staff as to their responsibilities concerning privacy related matters.</p> <p><b>B) Responsibility of enforcement of the Privacy Policy not defined</b></p> <p>Enforcement of the Privacy Policy is not defined, including how privacy management is to be cascaded down to specific departments, individuals or roles within the CoA. Additionally, the Privacy Policy does not detail on how legislative changes are to be monitored and incorporated within the organisation. With changes to the Australian Privacy Act likely to occur in the near future, this gap could lead to potential risks in relation to the management of the regulatory change.</p> <p><b>C) Privacy reporting structure not defined</b></p> <p>The CoA lacks a formal privacy reporting structure from business units to executive leadership and the Council. Management and escalation of privacy issues sits solely with IM or the Risk and Governance team, with no periodic reporting to the Council as defined in the Privacy Policy. This has resulted in limited visibility of overall privacy risk and the potential for siloed approaches in managing privacy related issues.</p> <p><i>(Continued on next page)</i></p>	<p>It is recommended that the CoA:</p> <ol style="list-style-type: none"> <li>Define the roles and responsibilities of individuals from executive leadership to end-users. Develop a RACI matrix to further define areas that individuals have ownership of and are accountable for.</li> <li>Develop the privacy governance framework structure to include an operating charter that defines the roles, responsibilities and expectations of individuals.</li> <li>Assign a dedicated Privacy Officer to assist with privacy related issues. The Privacy Officer will directly report to a senior leader within the CoA and is expected to champion privacy governance throughout the organisation. This is a recommendation as part of the proposed Privacy Act reforms. Responsibilities should include:                     <ul style="list-style-type: none"> <li>Handling privacy related complaints and enquiries</li> <li>Understanding, monitoring and enforcing privacy obligations and regulatory change</li> <li>Assist in conducting privacy impact assessments for new or ongoing initiatives</li> <li>Lead privacy training and awareness initiatives to ensure an understanding of responsibilities regarding privacy governance</li> </ul> </li> <li>Develop a structured privacy reporting process (including frequency) to facilitate consistent communication and escalation of privacy matters to the senior leadership and the Council.</li> </ol>	<ol style="list-style-type: none"> <li>The Privacy Policy will be reviewed and updated to provide defined roles and responsibilities. A RACI model will be developed to further define areas that individuals have ownership of and are accountable for.</li> <li>The CoA will consider developing a privacy governance framework in line with the Privacy Policy.</li> <li>The CoA will assign a dedicated Privacy Officer as part of its response to Recommendation 1 in this finding.</li> <li>A privacy reporting process will be developed in Promapp to facilitate consistent communication and escalation.</li> </ol> <p><b>Responsibility:</b></p> <p>1. – 4. Manager, Governance</p> <p><b>Target Date:</b></p> <ol style="list-style-type: none"> <li>31 December 2024</li> <li>31 December 2024</li> <li>31 December 2024</li> <li>31 March 2025</li> </ol>

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# Observations and Recommendations

**Rating: High**

## Finding 1: The CoA’s Privacy Governance Framework should be improved and streamlined

Risk(s)	Recommendation(s)	Agreed Management Actions
<p><i>(Continued from the previous page)</i></p> <ul style="list-style-type: none"> <li>• Ambiguity in privacy roles and a lack of clear responsibilities may lead to privacy incidents, improper handling of personal data, and issues in identifying and escalating breaches, posing legal and reputational risks for the CoA.</li> <li>• Absence of documented privacy role definitions undermines accountability, potentially resulting in non-compliance with privacy regulations, especially with forthcoming changes to the Australian Privacy Act.</li> <li>• Inadequate policy enforcement and oversight due to responsibilities resting solely with the CoA without delegation could reduce the effectiveness in identifying and managing privacy related risks.</li> <li>• A siloed approach to privacy issues may hinder the comprehensive management of privacy concerns, resulting in non-compliance with future legislation, and reputational issues.</li> </ul>		

# Observations and Recommendations

## Finding 2: Inconsistent Information Lifecycle Management

**Rating: High**

Observations	Recommendation(s)	Agreed Management Actions
<p>Management of data is inconsistent across the CoA, with some areas requiring further refinement to reduce privacy risks and inefficiencies. Key areas are noted below:</p> <p><b>A) Limitations in processes to ensure personal information within Pathway is accurate and up-to-date</b></p> <p>The process to update a customer’s personal information within the Pathway system is currently ad-hoc, leading to issues in data quality and management. Further, the process heavily relies on customers proactively contacting the CoA to provide updates on their personal details, resulting in outdated customer information being retained in Pathway. Additionally, there is a dependence on third-party services to provide updated customer information, for example, the Property &amp; Rates team uses a third-party system called EzyBill for the management of various electronic billings. Changes in customer details identified through third-party datasets introduces an external risk factor regarding the accuracy and timeliness of updates, as the process relies on the effectiveness of third-party systems.</p> <p><b>B) Retention, archiving and destruction of personal information is inconsistent</b></p> <p>The Privacy Act requires organisations to take reasonable steps to securely dispose of records containing personal information if they are no longer required for the purpose of collection and there are no other legislative requirements mandating organisations to retain the data on a permanent basis. This clause is reflected in the CoA’s Privacy Policy but not implemented in practice.</p> <ul style="list-style-type: none"> <li>• Employees of the CoA who have access to Pathway are able to view and access customer data that is no longer required for use as part of BAU activities.</li> <li>• Stakeholder interviews highlighted that users are uncertain as to the process for archiving data within Pathway. Users are aware that records management have some responsibilities regarding this area but assignment of archiving responsibilities between Pathway users and Records Management is not clear and has not been formally defined.</li> <li>• As the Records Management team and IM have minimal oversight over Alchemy SMS, users are able to access archived data. Archived data in Alchemy SMS relates to customers that are no longer involved in the CHSP program. However, archived data is still accessible and alternative functionality is used to mark these records as hidden.</li> <li>• CoA personal information records are retained either indefinitely or for a longer period than required. Under the State Records Act 1997, the General Disposal Schedule 40 (GDS40) was developed to provide a guideline on the disposal schedule of council records. However, the CoA retains personal information beyond the retention periods outlined in GDS40. Some examples of this included:             <ul style="list-style-type: none"> <li>○ ‘Visitor books recording visitors to Adelaide Town Hall’ are only required to be maintained for ten years by GDS40 however the CoA retains this information indefinitely.</li> <li>○ ‘Records relating to Adelaide City Corporation Awards’ are only required to be maintained for two years by GDS40 however the CoA retains this information indefinitely.</li> </ul> </li> </ul> <p><i>(Continued on next page)</i></p>	<p>It is recommended that the CoA:</p> <ol style="list-style-type: none"> <li>1. Establishes policies and processes around data quality. These could include, a formal policy requiring staff to take steps to amend personal information believed to be incorrect based on more up-to-date information, requesting individuals to confirm their personal information when they engage with the CoA, consolidating duplicated records and automated processes to identify personal information that may be incorrect. This should include steps for proactively identifying the need to update out-of-date information or have access to this information restricted until disposal.</li> <li>2. Ensure sufficient controls are in place to disable read/write/update abilities for customer data that is archived. Further training should be provided to users to ensure that they are aware of the processes to archive data.</li> </ol>	<ol style="list-style-type: none"> <li>1. The CoA recognises the importance to have up-to-date data for our customers, therefore, the Privacy Policy will be updated to include guidance on how staff can proactively identify the need for updated customer information. To support this policy update, divisions in the CoA will be communicated the requirement to ensure that, when communicating with customers, the CoA has up-to-date customer information.  In-line with our actions relating to Recommendation 4, the CoA will first identify what data can be disposed first and impact on duplicate records. Thereafter, the CoA will assess the feasibility of aggregation of records versus a coordinated disposal program.</li> <li>2. The CoA will review/update the existing Work Instruction (WI-13) regarding appropriate access and permissions to data in pathway.</li> </ol>

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# Observations and Recommendations

**Rating: High**

## Finding 2: Inconsistent Information Lifecycle Management

Risk(s)	Recommendation(s)	Agreed Management Actions
<p><i>(Continued from previous page)</i></p> <p>The inconsistent approach to information lifecycle management may result in the following risks:</p> <ul style="list-style-type: none"> <li>• Poor data quality affecting the service provided to customers due to inaccurate records of their personal information.</li> <li>• Duplication of records within Pathway and across other systems increasing the attack surface of a potential cyber event or data breach.</li> <li>• Unauthorised alteration of customer information due to staff retaining access to the archived data. In a worst case scenario, this data may be stolen.</li> <li>• Customer information held by the CoA is not monitored and may be retained for longer than is necessary under applicable regulatory requirements, particularly the GDS40 retention periods. Retaining data for longer than required increases the risk profile associated with unauthorised access, use and disclosure. Furthermore, it can lead to costly data storage and process inefficiencies.</li> </ul>	<ol style="list-style-type: none"> <li>3. Discuss current security controls with Alchemy Technology to understand their data management process, particularly with how data is disposed.</li> <li>4. Review and update the data retention schedule for records containing personal information to align with the retention periods stipulated within the GDS40. In the event the CoA determines records containing personal information are required to be retained for longer due to a business need/requirement then the CoA should consider risk accepting the extended retention and/or de-identifying records containing personal information.</li> </ol>	<ol style="list-style-type: none"> <li>3. In consultation with Procurement, City Lifestyle team will discuss with Alchemy Technology to understand their data management process in particular with how data is disposed.</li> <li>4. The Records Management Operating Guideline is currently under its scheduled review. These recommendations will be incorporated into the review.</li> </ol> <p><b>Responsibility:</b></p> <ol style="list-style-type: none"> <li>1. Manager, Governance and Manager, Information Management</li> <li>2. Manager, Information Management</li> <li>3. Associate Director, City Culture</li> <li>4. Manager, Information Management</li> </ol> <p><b>Target Date:</b></p> <ol style="list-style-type: none"> <li>1. 31 December 2024</li> <li>2. 30 June 2024</li> <li>3. 31 December 2024</li> <li>4. 30 September 2024</li> </ol>

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# Observations and Recommendations

## Finding 3: Insufficient Disclosure of Call Recording Practices and Inconsistent Customer Verification Procedures

**Rating: Moderate**

Observations	Recommendation(s)	Agreed Management Actions
<p>The current process for customer phone enquiries does not provide sufficient notice to customers regarding the recording of the call and data collection. Additionally, inconsistent verification processes were identified, which may pose potential privacy risks. Key areas noted are:</p> <p><b>A) Data collection and recording notice not provided for phone enquiries</b></p> <p>A data collection and recording notice is not disclosed to customers who make inquiries over the phone with the current transcript only describing the process to contact waste services or to remain on the line.</p> <p>Without clear notifications that calls are records, customers may disclose personal (and potentially sensitive information). Further, a process has not been defined to ensure that notification is provided to a customer, and consent obtained from the customer, prior to the customer providing sensitive information.</p> <p>The Privacy Act outlines that a collection notification is required, and this notification should include details of the collecting entity, the facts/circumstances of the collection, the purpose of the collection and consequences of not providing personal information. In addition, where a customer provides sensitive information, a process has not been developed to ensure that this notification is communicated, and customer consent is obtained.</p> <p><b>B) Inconsistent verification process</b></p> <p>The verification process of individual’s contacting or being contacted by the CoA is inconsistently conducted. The Customer Centre team has a Privacy &amp; Contacting Owners SharePoint page, with the content of this page specifying that PII should not be provided for unauthorised customers for Property and Rates inquiries, however, this does not specify the process that needs to be followed for verifying customers. It was further noted that where customers are verified, this verification process is inconsistently done with some employees requesting additional identifier data while others only require the inquirer’s full name. Without an effective, standardised verification process, there is the potential for confidential or sensitive information to be shared with an unauthorised individual, resulting in a privacy breach.</p> <p><b>C) Process to manage privacy complaints not defined</b></p> <p>A defined and documented process is not in place on how privacy related complaints and inquiries are to be handled and escalated within the CoA. This includes escalation to the Privacy Officer and to the Privacy Commissioner, where appropriate.</p> <p><i>(Continued on next page)</i></p>	<p>It is recommended that the CoA:</p> <ol style="list-style-type: none"> <li>Update the current recording notice to include a statement that the call will be recorded, what the recording will be used for and explicit instructions for the customer to inform the customer centre officer if they would like their call not to be recorded.</li> <li>Provide a disclaimer at the beginning of the call covering the personal information notification information under APP 5. Ensure that training and transcripts are provided to CSOs to obtain explicit consent where sensitive information is collected. Consider whether and how the same disclosure and consent protocols can be applied across other collection channels, e.g. Email.</li> <li>Develop and implement a standardised customer verification protocol across all service agents to uniformly secure personal information. Reinforce this verification process through internal messaging and inclusion in annual training to relevant staff members.</li> <li>Update the Unreasonable Complaints Operating Guideline to include how privacy inquiries and complaints will be handled and escalated within the CoA and externally.</li> </ol>	<ol style="list-style-type: none"> <li>Agreed.</li> <li>The CoA will implement a disclaimer at the beginning of calls and training and transcripts will be provided to CSOs.  For other collection channels (e.g. emails), the CoA will investigate how a similar disclaimer can be incorporated and separate action plan to be developed at the conclusion of this investigation.</li> <li>Agreed.</li> <li>Agreed.</li> </ol> <p><b>Responsibility:</b></p> <p>1. – 4. Manager, Customer &amp; Marketing</p> <p><b>Target Date:</b></p> <ol style="list-style-type: none"> <li>31 July 2024</li> <li>31 July 2024</li> <li>31 July 2024</li> <li>31 July 2024</li> </ol>

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# Observations and Recommendations

**Rating: Moderate**

## Finding 3: Insufficient Disclosure of Call Recording Practices and Inconsistent Customer Verification Procedures

Risk(s)	Recommendation(s)	Agreed Management Actions
<p><i>(Continued from the previous page)</i></p> <p>Although a notification and consent process has been established within the CoA, there are noticeable gaps that needs to be addressed in relation to privacy management, which may result in the following risks:</p> <ul style="list-style-type: none"> <li>• Failure to take reasonable steps to notify customers of the matters required under APP5, including how their personal data is collected and the purposes of collection.</li> <li>• Sensitive information is collected without valid consent from the individual.</li> <li>• Unauthorised access to sensitive information due to process or control failures.</li> <li>• Failure to manage privacy complaints according to the CoA and/or regulator expectations.</li> </ul>		

# Observations and Recommendations

**Rating: Moderate**

## Finding 4: Privacy breaches are not fully addressed in Response Plans

Observations	Recommendation(s)	Agreed Management Actions
<p>Privacy incidents that are not directly related to cyber threats are not defined, including investigation and response actions and timelines, including within the CoA’s Incident Response Plan and Business Continuity Plan (BCP).</p> <p>While the existing documentation and BCP/IT DR framework addresses cyber-related privacy breaches, non-cyber related privacy incident scenarios (such as a user mistakenly sending sensitive information to the wrong email address or a list of customer details printed and left out in the open) are not addressed.</p> <p>Within the Incident Response Plan, identification of a privacy incident is generalised as a data breach. By not distinguishing and addressing specific categories of non-cyber incidents, the CoA risks overlooking and responding to incidents and failing to identify and remediate potential process or control vulnerabilities.</p> <p>The document also does not address the escalation process to the Office of the Australian Information Commissioner (OAIC), a requirement that has been outlined in the Notifiable Data Breach Scheme. Although a recent incident review noted the need to report to the OAIC, this is not reflected in the incident response plan or in the external facing Privacy Policy, which only calls out the need to inform the OAIC if a Tax File Number data breach has occurred.</p> <p>Moreover, the document does not set out clear investigation and escalation activities, including associated resolution timeframes, for non-cyber privacy incidents.</p> <p><b>Risk(s)</b></p> <p>Due to the insufficient classification of data breaches and the lack of documentation articulating processes for the management of non-cyber privacy breaches, the following risks may occur:</p> <ul style="list-style-type: none"> <li>• Personal information breaches (e.g. malicious attacks, unauthorised disclosures, or loss of data) may not be appropriately identified and responded to.</li> <li>• Failure to update controls where needed in order to prevent similar future breaches occurring in the future.</li> <li>• Failing to make appropriate and timely notification to the OAIC and affected data subjects.</li> </ul>	<p>It is recommended that the CoA:</p> <ol style="list-style-type: none"> <li>1. Update the Incident Response Plan/BCP to include a section detailing what constitutes as a privacy data breach, investigation and communication plans, response timeframes, key contacts and decision makers, and reporting obligations to the Privacy Commissioner. Privacy incidents should be escalated to the Privacy Officer and information security staff.</li> <li>2. As a part of the annual privacy training, include a scenario regarding a data breach incident (e.g. losing a printed document listing customer data).</li> </ol>	<ol style="list-style-type: none"> <li>1. The CoA will develop an Incident Response Plan that addresses a privacy data breach event, including investigation and communication plans, response timeframes, key contacts and decision makers in consultation with IM.</li> <li>2. Update the Good Governance module to include a scenario regarding a data breach incident.</li> </ol> <p><b>Responsibility:</b></p> <ol style="list-style-type: none"> <li>1. &amp; 2. Manager, Governance</li> </ol> <p><b>Target Date:</b></p> <ol style="list-style-type: none"> <li>1. 30 June 2025</li> <li>2. 30 September 2024</li> </ol>

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# Observations and Recommendations

**Rating: Moderate**

## Finding 5: Security controls managing personal information need to be strengthened

Observations	Recommendation(s)	Agreed Management Actions
<p>Although the CoA has implemented preventative and detective security controls throughout the organisation, there are certain areas where controls should be strengthened. Key issue are noted below:</p> <p><b>A) Information classification not defined</b></p> <p>Through stakeholder discussion it was noted that whilst there are guidelines in place, security controls for managing personal information requires strengthening. Upon review of the Records Management Operating Guidelines, it was noted that classification levels for personal information and sensitive personal information had not been defined and documented. These records should have security controls applied commensurate with their risk, such as but not limited to encryption in transit and at rest, access controls, and data minimisation. However, the application of these controls was not consistently applied, and it was unclear how personal information was classified and corresponding controls implemented.</p> <p><b>B) Sensitive personal information provided and received via email</b></p> <p>Through stakeholder discussion it was observed that sensitive personal information is provided to third parties without appropriate security controls applied. Examples cited during the internal audit include:</p> <ul style="list-style-type: none"> <li>The Community Space provides a list of job requests and care plans to HenderCare via email. The data provided contains medical information and is sent as an unsecured pdf attachment, presenting the risk of unauthorised access, modification or disclosure.</li> <li>Within the Rates team, customer details are emailed to a third-party printing agency used for rates notices without additional security measures applied, e.g. Encryption or secure file transfer portals. Additionally, the customer centre also receives sensitive information (medical certificate/doctor's notice) via email which is used as evidence to waive parking expiations. This is sent through a single shared inbox enabling all customer centre staff to access or view the document.</li> </ul> <p><b>Risk(s)</b></p> <p>Inadequate security controls may result in unauthorised access to, and disclosure of, personal information. This may result in the following risks:</p> <ul style="list-style-type: none"> <li>Potential for sensitive information to be misclassified and collected or stored without appropriate technical and organisational security controls.</li> <li>Increased risk of privacy incident or breach, particularly with regard to sending the data to the wrong email address or being viewed by an individual without authorisation.</li> </ul>	<p>It is recommended that the CoA:</p> <ol style="list-style-type: none"> <li>Ensure that information classification protocols include the following:                     <ul style="list-style-type: none"> <li>Security classifications addressing personal information</li> <li>Labelling process</li> <li>Business Impact</li> <li>Security controls based on the classification</li> <li>Disposal/Archiving method</li> </ul> </li> <li>Develop secure file transfer protocols to share personal information with third parties wherever possible (i.e. where routine sharing occurs).</li> <li>Conduct periodic user access review on shared mailboxes containing sensitive personal information and limit access on a need-to-know basis. This review should leverage existing access reviews, i.e., inactive users, leavers, etc.) but should also include a review of all individuals with access to ensure their access is necessary.</li> </ol>	<ol style="list-style-type: none"> <li>The CoA will update the existing Data Management Operating Guideline including the review and updating of the data classification categories and controls.</li> <li>IM will investigate Secure File Transfer Mechanisms for the CoA to use with recommendations to be incorporated in the 2025/26 Business Plan and Budget process.</li> <li>IM will develop a procedure to enable regular review of shared mailboxes access and permissions to validate user access by the business owner of the shared mailbox.</li> </ol> <p><b>Responsibility:</b></p> <ol style="list-style-type: none"> <li>Manager, Governance and Manager, Information Management</li> <li>Manager, Information Management</li> <li>Manager, Information Management</li> </ol> <p><b>Target Date:</b></p> <ol style="list-style-type: none"> <li>31 December 2025</li> <li>30 June 2025</li> <li>30 September 2024</li> </ol>

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# Observations and Recommendations

Rating: Low

## Finding 6: Privacy Impact Assessments are not conducted on system/applications processing personal information

Observations	Recommendation(s)	Agreed Management Actions
<p>The CoA does not currently conduct any privacy risk and impact assessments and privacy risk is not formally considered as part of the risk assessment process.</p> <p>Specifically, our review identified that new and existing initiatives, including change programs and system implementations, are not assessed as to their impact on personal information management and any new or changed risks presented.</p> <p>Further to this, the CoA also does not have defined and documented policies, methodologies and supporting templates to conduct Privacy Risk/Impact Assessments (PIAs) on new and existing initiatives that impact personal information. Additionally, no PIAs were evidenced for Community Space and Customer Centre processes or systems/applications, to identify any privacy risks associated with data collection, use, storage, disclosure, etc, along with mitigation strategies to address the risks identified.</p> <p><b>Risk(s)</b></p> <ul style="list-style-type: none"> <li>• Failure to identify and mitigate privacy risks when conducting general risk assessments or designing and implementing change initiatives may result in initiatives being introduced with inadequate consideration of the privacy controls being implemented. This may also result in increased cost of remediation through process or technology debt where programs or projects require redesign to reduce these risks at a later stage.</li> <li>• Increased likelihood of privacy breaches or incidents due to unidentified vulnerabilities within new projects, processes, or technologies, potentially resulting in unauthorised access to or loss of sensitive data.</li> <li>• Failing to acknowledge and mitigate privacy risks may lead to non-compliance with data protection laws and regulations, including regulatory censure and fines.</li> <li>• Overlooking privacy considerations can damage stakeholder trust and customer relations, tarnishing the organisation's reputation.</li> <li>• Lack of proactive risk management can contribute to inadequate response planning for privacy related incidents, heightening the impact and cost of such events should they occur.</li> </ul>	<p>It is recommended that the CoA:</p> <ol style="list-style-type: none"> <li>1. Integrate privacy risk/impact assessments into the broader risk management framework to ensure privacy risks are identified, measured, mitigated and monitored, with sufficient controls implemented to safeguard personal information.</li> <li>2. Develop and document PIA policy and/or methodology along with supporting templates to ensure that PIAs are considered for new initiatives or projects that may have privacy impacts. The PIA Policy/Methodology should make clear, at a minimum, when a PIA should be conducted, who should conduct it, and how it should be conducted.</li> </ol>	<ol style="list-style-type: none"> <li>1. The CoA will incorporate privacy risk / impact assessments into the broader risk management framework, whether it is considered in the operating guideline or the risk register templates.</li> <li>2. Develop Privacy Impact Assessment methodology with supporting templates to ensure new initiatives or projects consider privacy impacts.</li> </ol> <p><b>Responsibility:</b></p> <ol style="list-style-type: none"> <li>1. &amp; 2. Manager, Governance</li> </ol> <p><b>Target Date:</b></p> <ol style="list-style-type: none"> <li>1. 31 March 2025</li> <li>2. 31 December 2024</li> </ol>

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# Observations and Recommendations

Rating: PIO

## PIO 1: Frequency of review of privacy framework documentation to be reassessed

Observations	Recommendation(s)	Agreed Management Actions
<p>The Privacy Policy is reviewed every three years with the next review scheduled in 2025. While this meets compliance requirements, this may not fully align with better practice. With increasing scrutiny in data privacy and technology, both the internal and external policies are recommended to be reviewed annually to align with better practice.</p>	<p>It is recommended that the CoA annually review the Privacy Policy to ensure compliance with the Privacy Act and any additional regulatory requirements, along with changes to those requirements.</p>	<p>The CoA will conduct an annual review of the Privacy Policy.</p> <p><b>Responsibility:</b> Manager, Governance</p> <p><b>Target Date:</b> 31 December 2024</p>

# Observations and Recommendations

Rating: PIO

## PIO 2: Develop an information asset register (IAR)

Observations	Recommendation(s)	Agreed Management Actions
<p>The IM Team is currently developing a document mapping the data stored within each system but only classifies personal information at a high level and does not distinguish the type of personal information stored. Whilst this document will assist the organisation in identifying data integration points, expanding the documentation to include the characteristics of an IAR will help the CoA to identify the data, including personal and sensitive data, held within their environment and associated third parties, along with the risks associated with it and the security controls required to safeguard the data.</p>	<p>It is recommended that the CoA expand the data mapping exercise to build an IAR that includes details of the data held, the owner or custodian of the data, access rights, security classification, and disposal protocols. The IAR should be updated and reviewed by IM regularly to ensure it is accurate and complete, and that sufficient controls are in place to minimise privacy data breach risks.</p>	<p>The CoA will update the existing Data Management Operating Guideline and investigate requirements and expansion of the guideline to incorporate the inclusion of IAR as an appendix.</p> <p>Additionally, the CoA will perform a costs and benefits analysis to determine if a project is required to implement security classifications to understand business impacts and value for the CoA.</p> <p><b>Responsibility:</b> Manager, Information Management and Manager, Governance</p> <p><b>Target Date:</b> 30 June 2026</p>

# Appendices

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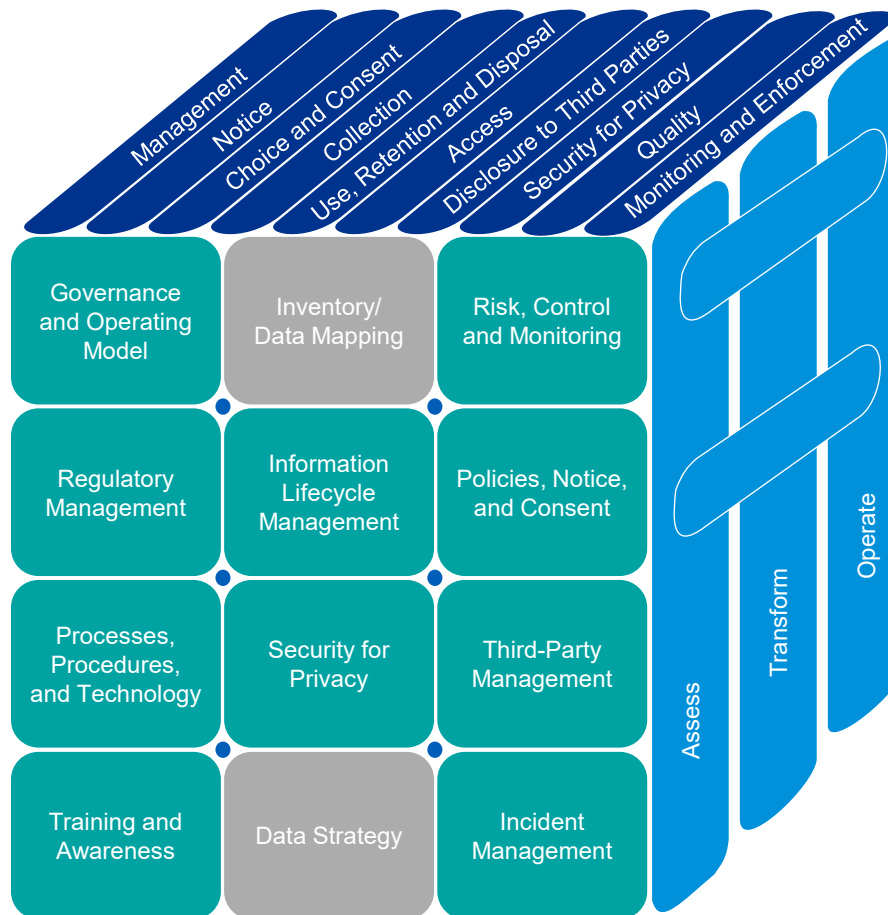
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# Appendix 1 - KPMG's Privacy Management Framework

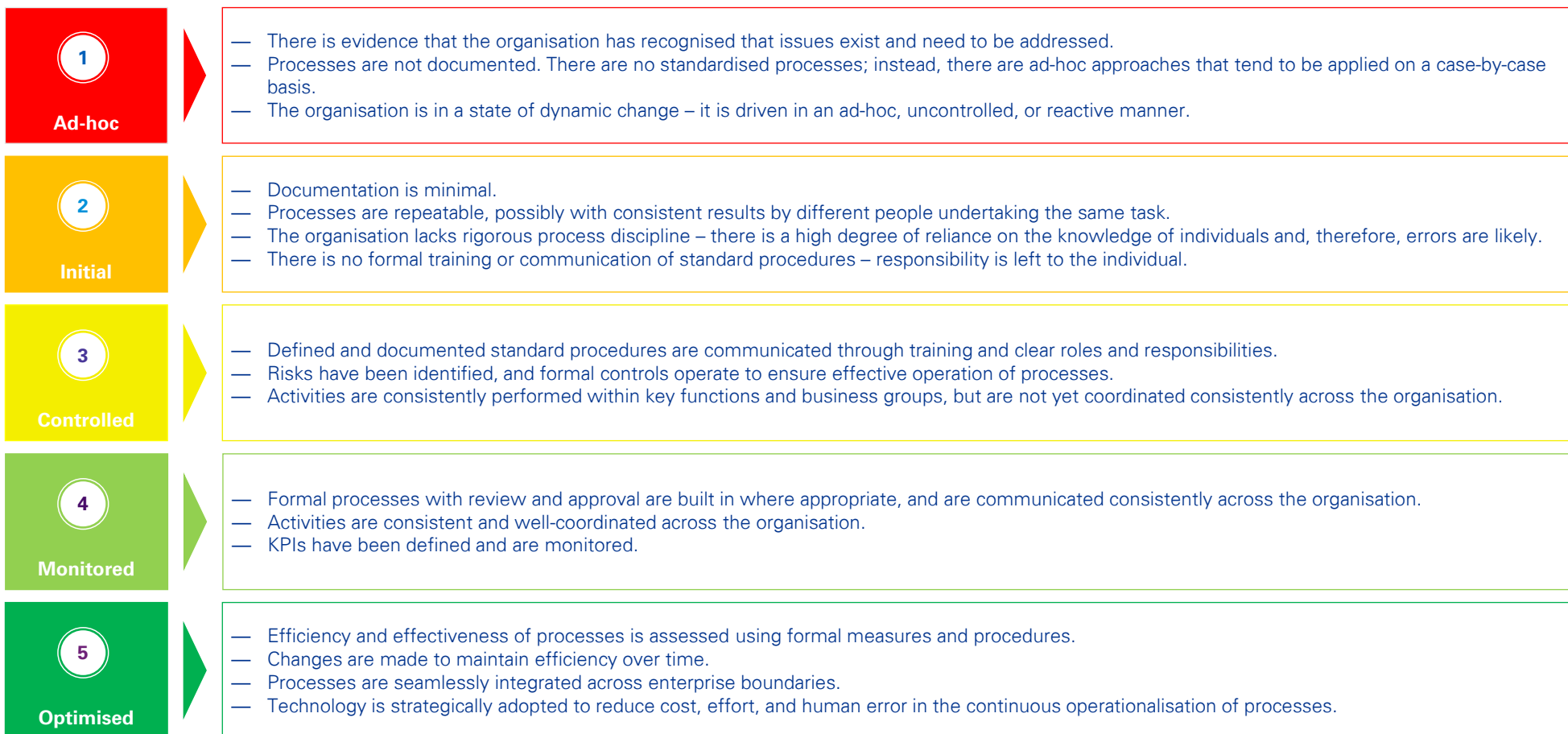
KPMG has developed its Privacy Management Framework and methodology which includes globally developed best practice privacy principles, combined with our local expertise, to assess your organisation against the Australian Privacy Act 1988 (Cth). The below diagram outlines the areas for consideration when assessing against the KPMG Privacy Management Framework. **Please note that several categories were not in scope (grey), but overlapping observations have been documented and outlined in the Background section of this document.**

<b>Governance and Operating Model</b>	Establishment of structures, process and governance to oversee privacy management within an organisation
<b>Inventory/Data Planning</b>	Identification and categorisation of data assets to effectively manage privacy related risks
<b>Risk, Control and Monitoring</b>	Implementation of measures to assess, mitigate, control and oversee privacy related risks
<b>Regulatory Management</b>	The management of regulatory obligations and interactions, including regulatory change and regulator interactions
<b>Information Lifecycle Management</b>	Management of data from the collection to the disposal in accordance with the organisation and regulatory bodies requirements
<b>Policies, Notices and Consent</b>	Development of privacy guidelines and process to provide open and transparent management of personal information
<b>Incident Management</b>	Development of an incident management process to respond to privacy breaches or other incidents promptly and effectively
<b>Process, Procedures and Technology</b>	Establishment of protocols and processes utilising technology to maintain privacy standards and manage personal information
<b>Security for Privacy</b>	Implementation of security controls to safeguard personal data from unauthorized access or breaches
<b>Third-Party Management</b>	Management of vendors and contractors to ensure adherence to privacy standards and legislations when handling personal information
<b>Training and Awareness</b>	Education provided to employees regarding privacy best practices and their roles in protecting data
<b>Data Strategy</b>	Defines how an organisation collects, manages, analyses, and utilises data to support its overall goals and objectives



## Appendix 2 – Privacy Maturity Levels

Observations during documentation review and stakeholder interviews were noted and assessed against KPMG’s Privacy Management Framework and Privacy Maturity Levels. The below diagram provides an overview of the maturity levels that were used to assess against Privacy Management Framework.



## Appendix 3 - Maturity Rating Against KPMG's Framework

Outlined below is a high level analysis of the CoA's current privacy maturity against KPMG's Privacy Management Framework. It is noted that whilst the majority of the categories overlapped between level 2 and 3, there are several areas where maturity was noted as below that level. **Please be advised that these responses were in consideration of the areas reviewed and have not been validated by KPMG and any operating effectiveness ratings are for illustrative purposes only.**

	Definition	Level 1	Level 2	Level 3	Level 4	Level 5	Findings ref
<b>Governance and Operating Model</b>	Establishment of structures, process and governance to oversee privacy management within an organisation	●					<a href="#">F1</a>
<b>Inventory/Data Planning*</b>	Identification and categorisation of data assets to effectively manage privacy related risks	●					<a href="#">PIO2</a>
<b>Risk, Control and Monitoring</b>	Implementation of measures to assess, mitigate, control and oversee privacy related risks		●				<a href="#">F6</a>
<b>Regulatory Management</b>	The management of regulatory obligations and interactions, including regulatory change and regulator interactions			●			<a href="#">F1</a>
<b>Information Lifecycle Management</b>	Management of data from the collection to the disposal in accordance with the organisation and regulatory bodies requirements	●					<a href="#">F2</a>
<b>Policies, Notices and Consent</b>	Development of privacy guidelines and process to provide open and transparent management of personal information		●				<a href="#">F3, PIO1</a>
<b>Incident Management</b>	Development of an incident management process to respond to privacy breaches or other incidents promptly and effectively			●			<a href="#">F4</a>
<b>Process, Procedures and Technology</b>	Establishment of protocols and processes utilising technology to maintain privacy standards and manage personal information			●			<i>Refer Background</i>
<b>Security for Privacy</b>	Implementation of security controls to safeguard personal data from unauthorized access or breaches		●				<a href="#">F5</a>
<b>Third-Party Management</b>	Management of vendors and contractors to ensure adherence to privacy standards and legislations when handling personal information		●				<a href="#">F5, F6</a>
<b>Training and Awareness</b>	Education provided to employees regarding privacy best practices and their roles in protecting data			●			<i>Refer Background</i>
<b>Data Strategy**</b>	Defines how an organisation collects, manages, analyses, and utilises data to support its overall goals and objectives						

\* Whilst Inventory/Data Planning is out-of-scope, any additional information or observations were noted down.

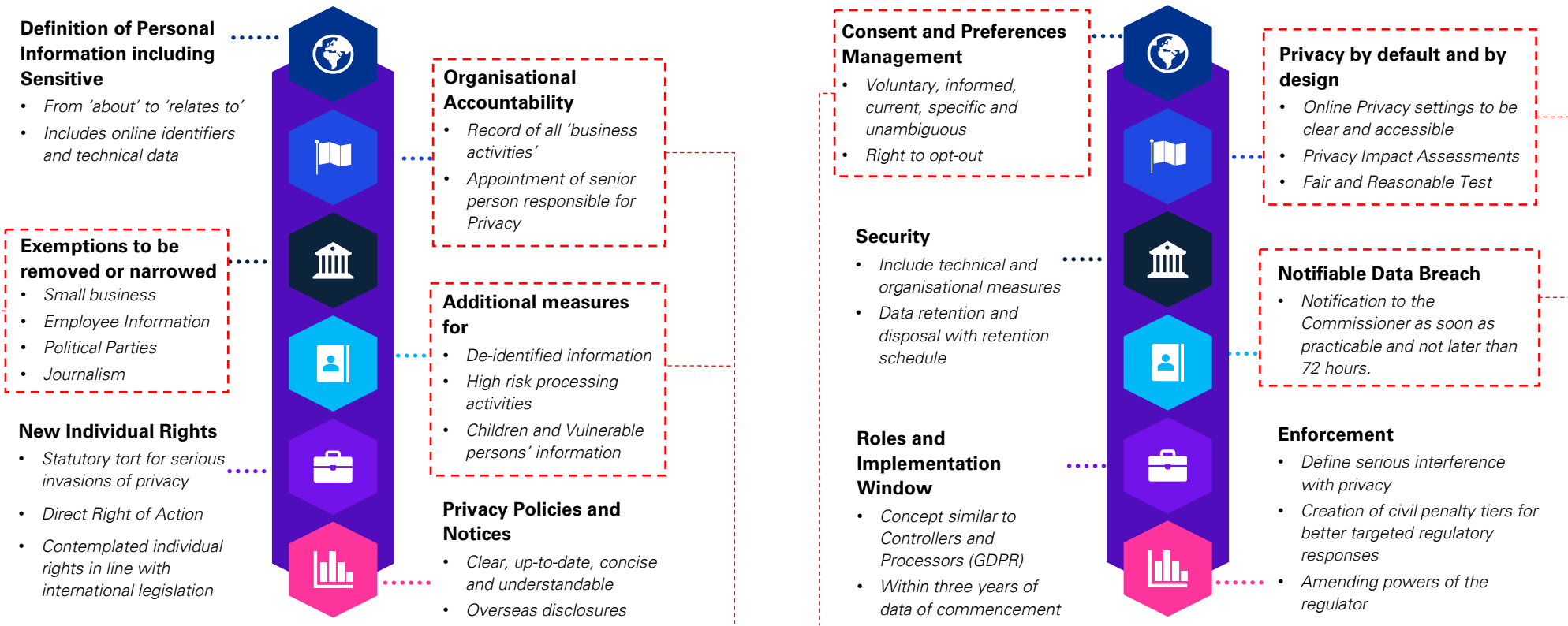
\*\* Data Strategy is an out-of-scope category and as such, no documentation or questions were asked during stakeholder interviews.



# Appendix 4 - Privacy Reforms

The Privacy Act Review Report 2023 is the culmination of two years extensive consultation which considered whether the Act and its enforcement mechanisms are fit for purpose and outlined proposed changes to the Act. These reforms, coupled with the increase in penalties introduced in 2022, represent a substantial shift in the way data privacy will be regulated in Australia. The following pillars highlight the proposed reforms of the Australian Privacy Act and the potential high-impact areas for the CoA:

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With nearly 700 (as at 30 June 2023) FTEs (permanent employees, fixed term temporary employees and common law contract staff) across a broad range of functions and service lines, the CoA will be required to ensure that these individuals are brought within the scope of privacy processes and controls and provided the same protections as customers and members of the community. This is likely to require a refresh of policies, a review of processes and controls and an assessment of systems security protocols as they apply to these individuals.

The Act reforms will require organisations to review and supplement their suite of privacy disclosures, including Policies and collection notices. The CoA will be required to add details of how individuals can request to exercise rights under the Act and how the CoA will respond to requests. The CoA will also be expected to disclose its personal information retention periods as part of its Privacy Policy. In addition, the CoA will be required to determine and record the purposes for which it will collect, use and disclose personal information.

As the CoA services over 26,000 residents and 12,000 businesses, including providing a range of services to vulnerable individuals and collecting sensitive information, there is a significant volume of personal information collected based on consent. As the reforms propose introducing additional requirements for the validity and withdrawal of consent, the CoA will be required to assess all these collection points, determine the fairness and reasonableness of processing activities, and consider whether current practices meet the new standards.

The proposed reforms will introduce a mandate to perform Privacy Impact Assessments for any activities with high privacy risks, requiring the establishment of new processes and control (see F6). In addition, the revised breach notification timelines, down from 30 to three days, will require the CoA to adapt the incident and breach response plans to ensure that timely investigation and escalation can be performed. The CoA should consider simulation testing to ensure these processes are effective in the event of a breach.

## Appendix 5- Scope and Approach

### Scope

The scope of this internal audit considered the CoA's policies, processes, risks and controls relating to Data Protection and Privacy, with a specific focus on the following:

- Review of the design adequacy of the existing privacy policies and processes against the Privacy Act 1988 (cth), including but not limited to the following areas:
  - Privacy governance structure, including roles, responsibilities and management
  - Privacy policies (Internal/External)
  - Privacy complaints and individual rights management process
  - Privacy incident and data breach management process, including consistency with the Notifiable Data Breach Scheme
- Consider the implications of the proposed Privacy Act reforms and any core implications based on the CoA's business model and current state privacy management practices
- Performed a test of the implementation of privacy and security controls for the Customer Centre and Community Space areas of the CoA. Testing was limited to:
  - Data collection notices, including how consent is obtained
  - Data retention and disposal, complaint management, access and correction request management and data breach management
  - Review the IT application supporting the Community Space and Customer Centre process for the following: Access management, encryption, audit and logging, USB access, and monitoring of personal email access (upload of documents)
  - Privacy Impact Assessment (PIA) or risk assessment processes in place to identify and manage privacy risks arising from new and/or changes in business initiatives/activities

### Approach

This engagement was performed using the following approach:

- Desktop review of the relevant documentation, including policies, procedures, and guidelines relevant to the data privacy methodologies and processes
- Conduct a maximum of four workshops and walkthroughs with nominated stakeholders to understand key data management and privacy policies, processes and controls currently in place, particularly in relation to data protection, storage, classification, information destruction/de-identification and breach management
- Conduct a high level gap analysis of the CoA's current framework/processes against KPMG's Global Privacy Framework
- Reporting, including the identification of any performance improvement opportunities and better practice insights as they relate to the CoA's data privacy framework
- Discussion of findings with Senior Leadership Team
- Drafting and finalisation of an internal audit report outlining internal audit findings, recommendations and any performance improvement opportunities

## Appendix 6 – Stakeholders Consulted

The table below outlines all personnel who were involved in discussions and contributed to the observations in this report.

Stakeholder	Role
Jennifer Kalionis	Associate Director, City Culture
Steve Zaluski	Associate Director, Regulatory Services
David Carroll	Technology, Infrastructure & Platforms Lead
Sonjoy Ghosh	Manager, Information Management
Martin Smallridge	Manager, Customer & Marketing
Alana Martin	Manager, Governance
Shaun Coulls	Manager, Commercial & Property
Louise Williams	Manager, People
Bec Aitken	Team Leader, People Services
Janet Crook	Team Leader, Corporate Governance & Legal
Daniel Stevens	Team Leader, Marketing & Communications
Beth Keough	Team Leader, Community Wellbeing
David Burgess	Team Leader, Rates & Receivables
Anh Le	Team Leader, Customer Centre
Karen Crompton	Team Leader, Customer Centre
Jeff Lawes	Senior Assurance and Cybersecurity Analyst
Anthony Criscitelli	Office365 Platform Analyst
Annette Pianezzola	Risk & Audit Analyst
Davin Jaehne	Talent Acquisition Advisor
Sadie Goddard-Wrighton	Health and Aging Coordinator

## Appendix 7 - Classification of Findings

The following framework for internal audit ratings is based on the City of Adelaide’s risk assessment matrix.

Rating	Definition	Examples of business impact	Action(s) required
<b>Extreme/Critical</b>	Issue represents a control weakness, which could cause or is causing severe disruption of the process or severe adverse effect on the ability to achieve process objectives.	<ul style="list-style-type: none"> <li>• Detrimental impact on operations or functions.</li> <li>• Sustained, serious loss in reputation.</li> <li>• Going concern of the business becomes an issue.</li> <li>• Decrease in the public’s confidence in the CoA.</li> <li>• Serious decline in service/product delivery, value and/or quality recognised by stakeholders.</li> <li>• Contractual non-compliance or breach of legislation or regulation with litigation or prosecution and/or penalty.</li> <li>• Life threatening.</li> </ul>	<ul style="list-style-type: none"> <li>• Requires immediate notification to the CoA Audit Committee via the Presiding Member.</li> <li>• Requires immediate notification to CoA’s Chief Executive Officer.</li> <li>• Requires immediate action planning/remediation actions.</li> </ul>
<b>High</b>	Issue represents a control weakness, which could have or is having major adverse effect on the ability to achieve process objectives.	<ul style="list-style-type: none"> <li>• Major impact on operations or functions.</li> <li>• Serious diminution in reputation.</li> <li>• Probable decrease in the public’s confidence in the CoA.</li> <li>• Major decline in service/product delivery, value and/or quality recognised by stakeholders.</li> <li>• Contractual non-compliance or breach of legislation or regulation with probable litigation or prosecution and/or penalty.</li> <li>• Extensive injuries.</li> </ul>	<ul style="list-style-type: none"> <li>• Requires immediate CoA Director notification.</li> <li>• Requires prompt management action planning/remediation actions.</li> </ul>

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## Appendix 7 - Classification of Findings (cont.)

The following framework for internal audit ratings is based on the City of Adelaide’s risk assessment matrix.

Rating	Definition	Examples of business impact	Action(s) required
Moderate	Issue represents a control weakness, which could have or is having a moderate adverse effect on the ability to achieve process objectives.	<ul style="list-style-type: none"> <li>Moderate impact on operations or functions.</li> <li>Reputation will be affected in the short-term.</li> <li>Possible decrease in the public’s confidence in the CoA.</li> <li>Moderate decline in service/product delivery, value and/or quality recognised by stakeholders.</li> <li>Contractual non-compliance or breach of legislation or regulation with threat of litigation or prosecution and/or penalty.</li> <li>Medical treatment required.</li> </ul>	<ul style="list-style-type: none"> <li>Requires CoA Director and/or Associate Director attention.</li> <li>Requires short-term management action.</li> </ul>
Low	Issue represents a minor control weakness, with minimal but reportable impact on the ability to achieve process objectives.	<ul style="list-style-type: none"> <li>Minor impact on internal business only.</li> <li>Minor potential impact on reputation.</li> <li>Should not decrease the public’s confidence in the Council.</li> <li>Minimal decline in service/product delivery, value and/or quality recognised by stakeholders.</li> <li>Contractual non-compliance or breach of legislation or regulation with unlikely litigation or prosecution and/or penalty.</li> <li>First aid treatment.</li> </ul>	<ul style="list-style-type: none"> <li>Timeframe for action is subject to competing priorities and cost/benefit (i.e. 90 days).</li> </ul>

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## Appendix 8 - Disclaimer

### Inherent Limitations

This report has been prepared as outlined in the Scope Section. The services provided in connection with this engagement comprise an advisory engagement, which is not subject to assurance or other standards issued by the Australian Auditing and Assurance Standards Board and, consequently no opinions or conclusions intended to convey assurance have been expressed.

Due to the inherent limitations of any internal control structure, it is possible that fraud, error or non-compliance with laws and regulations may occur and not be detected. Further, the internal control structure, within which the control procedures that have been subject to the procedures we performed operate, has not been reviewed in its entirety and, therefore, no opinion or view is expressed as to its effectiveness of the greater internal control structure. The procedures performed were not designed to detect all weaknesses in control procedures as they are not performed continuously throughout the period and the tests performed on the control procedures are on sample basis. Any projection of the evaluation of control procedures to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

No warranty of completeness, accuracy or reliability is given in relation to the statements and representations made by, and the information and documentation provided by City of Adelaide management and personnel consulted as part of the process.

KPMG have indicated within this report the sources of the information provided. We have not sought to independently verify those sources unless otherwise noted within the report.

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The findings in this report have been formed on the above basis.

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## Legislative Compliance Review Internal Audit

Friday, 14 June 2024

Audit and Risk Committee

Strategic Alignment - Our Corporation

**Program Contact:**

Kathryn Goldy, Acting Manager  
Governance

Public

**Approving Officer:**

Anthony Spartalis, Acting Chief  
Operating Officer

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## EXECUTIVE SUMMARY

Each year the City of Adelaide (CoA) includes a Legislative Compliance audit in its Internal Audit Plan. Each year, different pieces of legislation are selected from the list of Acts with which Council must comply, and a review is performed that focuses on Council's compliance with that legislation.

This year, the audit focused on the *Local Government Act 1999 (SA)* and the *City of Adelaide Act 1998*.

The internal audit identified four high risk-rated findings.

The Internal Audit Plan has been developed in consideration of Council's key strategic risks and critical priorities. This audit aligns with CoA's Strategic Risk – Compliance: Non-compliance of Council policies and legislative requirements.

Internal audit is an essential component of a good governance framework. It is the mechanism that assures Council that internal controls and risk management approaches are effective, that it is performing its functions legally and effectively, and to advise how it can improve performance.

---

## RECOMMENDATION

### THAT THE AUDIT AND RISK COMMITTEE

1. Notes the internal audit report provided in Attachment A to Item 6.3 on the Agenda for the meeting of the Audit and Risk Committee held on 14 June 2024.
  2. Endorses the responses of the Administration to the Legislative Compliance Review Internal Audit as outlined in Attachment A to Item 6.3 on the Agenda for the meeting of the Audit and Risk Committee held on 14 June 2024.
-

## IMPLICATIONS AND FINANCIALS

City of Adelaide 2024-2028 Strategic Plan	<b>Strategic Alignment – Our Corporation</b> Internal audit is an essential component of a good governance framework. It enables the Council to ensure it performs its function legally, effectively and efficiently.
Policy	Not as a result of this report.
Consultation	Not as a result of this report.
Resource	Not as a result of this report.
Risk / Legal / Legislative	Internal audit is an essential component of a good governance framework. It is the mechanism that assures Council that internal controls and risk management approaches are effective, that it is performing its functions legally and effectively, and to advise how it can improve performance.
Opportunities	Internal audit focuses largely on compliance, risk management and improvement opportunities. As such audits suggests a range of improvement opportunities related to the area being reviewed, enhancing functions and services and aligning Council processes to best practice standards.
23/24 Budget Allocation	Not as a result of this report.
Proposed 24/25 Budget Allocation	Not as a result of this report.
Life of Project, Service, Initiative or (Expectancy of) Asset	Not as a result of this report.
23/24 Budget Reconsideration (if applicable)	Not as a result of this report.
Ongoing Costs (eg maintenance cost)	Not as a result of this report.
Other Funding Sources	Not as a result of this report.

# DISCUSSION

## Background

1. The Legislative Compliance Review Internal Audit was performed by City of Adelaide (CoA) Risk and Audit Analyst and the Corporate Governance Advisor, in accordance with the 2023-24 Internal Audit Plan. The report, along with administrative comments can be found in **Attachment A**.
2. The Legislative Compliance Review for 2024 focused on the ongoing assessment of CoA’s legislative compliance work plan, auditing one Act at a time.

## Report

3. This audit aligns with CoA’s Strategic Risk – Compliance: Non-compliance of Council policies and legislative requirements.
4. The review focused on two Acts:
  - 4.1. *Local Government Act 1999 (SA)*
  - 4.2. *City of Adelaide Act 1998*
5. A desktop review of each section of the Acts was conducted in consultation with the relevant key stakeholders.
6. The findings of the internal audit are indexed into the following categories:

Act	Total Reviewed	Compliant	Exceptions Noted
<b>Local Government Act 1999 (SA)</b>	214	210	4
<b>City of Adelaide Act 1998</b>	9	9	-

7. During the review, four sections of the *Local Government Act 1999 (SA)* were identified as ‘exceptions noted’ in which improvements can be implemented, they are:

Section of Act	Requirement of the Act	Testing Methodology	Findings
Section 172(4) (5)	Suppression of names and addresses from the assessment record have been done in accordance with these subsections	Details of the procedure observed by the Council for the suppression of information regarding a ratepayer from the Assessment Record	Currently just in job description tasks no formal process document
Section 173 (2)	The Chief Executive Officer has determined the manner and form for application to alter the assessment record	Details of the procedure observed by the Council for alterations to the Assessment Record	Currently just in job description tasks no formal process document
Section 173 (5)	The Council has determined a procedure for the review of decisions under this section.	As Above	Currently just in job description tasks no formal process document
Section 174 (3)	A person who inspects the record is advised that the information contained in the record must not be used for a commercial purpose	As Above	When a person inspects the record they are informed not to use for a commercial purpose. The folder with the assessment record should contain these conditions when inspecting the record.

8. Administration has considered the findings and provided actions and time frames to address these findings, as detailed in **Attachment A**.

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## ATTACHMENTS

**Attachment A** – Legislative Compliance Review Internal Audit

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- END OF REPORT -

# INTERNAL AUDIT REPORT: LEGISLATIVE COMPLIANCE REVIEW

Prepared by: Annette Pianezzola, Risk & Audit Analyst & Sia Orman,  
Corporate Governance Advisor

April 2024





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Distribution			
For action:		For information and approval:	
Kathryn Goldy	Acting Manager Governance	City of Adelaide	Strategic Risk and Internal Audit Group
Janet Crook	Team Leader Corporate Governance & Legal	City of Adelaide	Audit & Risk Committee
Nicole Van Berkel	Acting Manager Finance & Procurement	Michael Sedgman	Acting Chief Executive Officer

## 1. EXECUTIVE SUMMARY

In accordance with the 2023/24 Internal Audit Plan for the City of Adelaide (CoA) an internal audit focussing on compliance within legislation was performed. The objective, scope, approach and findings are outlined below.

## 2. OBJECTIVES

This audit focused on the on-going assessment of CoA's legislative compliance work plan, auditing one Act at a time with actions monitored and managed in Process Manager. This review is included in the 2023/24 Internal Audit Plan to provide a level of assurance to the CoA Executive, the Executive Strategic Risk & Internal Audit Group (SRIA) and subsequently the CoA's Audit & Risk Committee (ARC).

## 3. METHODOLOGY

Over the past two months, two (2) Acts were reviewed:

- *Local Government Act 1999 (SA)*
- *City of Adelaide Act 1998*

Engagement was performed using the following approach:

- CoA staff members Annette Pianezzola, Risk & Audit Analyst and Sia Orman, Corporate Governance Advisor, performed the audit.
- One on one discussions were held with relevant stakeholders throughout the Corporation requesting evidence of each section being reviewed.
- Review of relevant documentation received against the relevant provisions of the legislation.
- Review of previous findings and actions from the 2023 legislative compliance review.

## 4. FINDINGS

The number of findings identified during this audit is shown in the table below. A full list of findings identified and agreed management actions can be found further in the *Summary of Findings* section of the report.

Act	Total Reviewed	Compliant	Exceptions Noted
<i>Local Government Act 1999 (SA)</i>	214	210	4
<i>City of Adelaide Act 1998</i>	9	9	0

## 5. CONSULTATION

The following CoA stakeholders were involved in meetings or via the survey throughout this audit:

- Janet Crook, Team Leader Corporate Governance & Legal
- Sia Orman, Corporate Governance Advisor
- Simon Cope, Team Leader Procurement & Contract Management

- Kathryn Goldy, Acting Manager Governance
- Charlotte Oldfield, Acting Team Leader Council Governance
- Karen Crompton, Team Leader Customer Centre
- Simone Lavelle, Coordinator Community Engagement
- Megan Procenko, Corporate Governance Officer
- Louise Williams, Manager People
- Caitlin Evans, Manager Infrastructure Planning
- Michelle Arbon, Acting Manager Strategy, Insights & Performance
- Scott McFarland, Corporate Accountant
- David Burgess, Team Leader Rates & Receivables
- Matt Rodda, Manager Property Development
- Matt Field, Manager Park Lands & Sustainability
- Rocky Fryar, Senior Property Specialist
- Nick Morrow, Team Leader Strategic Asset Management
- Steph Paprzycki-Baker, Team Leader Community Safety
- Sharon Harvey, Council Liaison & Admin Support
- Karen Harvey, Team Leader Business Centre
- Robert Donoghue, Enforcement Officer
- Bryn Adams, Project Manager Property Strategy
- Mark Di Gianni, Event Facilitator

## 6. SUMMARY OF FINDINGS ASSESSED AS EXCEPTIONS NOTED

The risk rating assigned has been re-assessed in context of the actions already completed and the actions outstanding.

<p><b>Local Government Act 1999 (SA)</b></p> <ul style="list-style-type: none"> <li>- Chief Executive Officer to keep assessment record</li> <li>- Alterations to assessment record</li> <li>- Inspection of assessment record</li> </ul>	<p><b>Rating: High</b></p>
<p><b>Requirement of the Act</b>  <i>Section 172(4) &amp; (5)</i>  <i>Suppression of names and addresses from the assessment record have been done in accordance with these subsections.</i></p> <p><i>Section 173(2)</i>  <i>The Chief Executive Officer has determined the manner and form for application to alter the assessment record</i></p> <p><i>Section 173(5)</i>  <i>The Council has determined a procedure for the review of decisions under this section</i></p> <p><i>Section 174(3)</i>  <i>A person who inspects the record is advised that the information contained in the record must not be used for a commercial purpose</i></p>	<p><b>Testing Methodology</b></p> <p>Details of the procedure observed by the Council for the suppression of information regarding a ratepayer from the Assessment Record.</p> <p>Details of the procedure observed by the Council for alterations to the Assessment Record.</p> <p>Details of the procedure that information contained in the record must not be used for a commercial purpose.</p>
<p><b>Description of finding</b></p>	<p><b>Agreed Actions</b></p>
<p><b>Identification:</b></p> <p>The Rates and Receivable team manage the assessment records for the City of Adelaide. This record is being maintained but there is no formalised procedure that ensures the processes are followed.</p>	<p>Review requirements as per the legislation. Create appropriate procedures and make available to relevant CoA staff.</p> <p>Incorporate in the Corporate Complaint Handling Operating Guideline a section on s173(5) review of decisions for an application to alter the assessment record.</p>

<b>Recommendations:</b> Finalise the procedures and make them available to the team.	The Register of Delegation to be reviewed to determine whether a sub-delegation is required for s173(5).
<b>Position Responsible:</b>	Manager Finance & Procurement / Manager Governance
<b>Target Date:</b>	31 December 2024



## APPENDIX 1: REGISTER OF ACTS REVIEWED AND METHODOLOGY

The following information details the sections of the Acts reviewed and the testing methodology.

### Local Government Act 1999 (SA)

Description	Section of Act	Requirement of the Act	Testing Methodology	Results	Findings
Composition & Wards	12(4)	Council must ensure that all aspects of its composition are reviewed at least once in the relevant period (Local Government (General) Regulations 2013, Reg 4)	<p>Section 12 – Representation Review</p> <p>If the Council has undertaken a representative review in the last 4 years obtain copies of the following:</p> <ol style="list-style-type: none"> <li>1.1. the representation options paper;</li> <li>1.2. the public notice regarding preparation of the options paper as published in the newspaper in the Council’s area (including the date of the notice);</li> <li>1.3. report prepared following consultation on the options paper;</li> <li>1.4. notice published in the newspaper circulating in the Council’s area informing of the preparation of the report and inviting written submissions; and</li> <li>1.5. minutes of the Council meeting at which the matter was considered and the Council report</li> </ol>	Compliant	<p>Last rep review conducted in 2021</p> <ol style="list-style-type: none"> <li>1.1 Options paper - ACC2021/101428</li> <li>1.2 Gazette notice, Advert and CoA website ad - ACC2021/109707, ACC2021/115964</li> <li>1.3 Presentation ACC2021/135332</li> <li>1.4 Advert - ACC2021/157303</li> <li>1.5 Minutes of meeting of 26 Oct 2021 sighted. Agenda item 4.2</li> </ol>

<b>Ward Quotas</b>	33(1)	In addition to the other requirements of this Chapter, the following matters must be taken into account, as far as practicable, in the formulation of a proposal that relates to the boundaries of a ward or wards: (a) the desirability of reflecting communities of interest of an economic, social, regional or other kind; (b) the population of the area, and of each ward affected or envisaged by the proposal; (c) the topography of the area, and of each ward affected or envisaged by the proposal; (d) the feasibility of communication between electors affected by the proposal and their elected representatives; (e) the nature of substantial demographic changes that may occur in the foreseeable future; (f) the need to ensure adequate and fair representation while at the same time avoiding over-representation in comparison to other councils of a similar size and type (at least in the longer term).	Do the Representation Options Paper and Representation Review Report appropriately address these matters.	Compliant	Refer to above, last rep review conducted in 2021
	33(2)	A proposal that relates to the formation or alteration of wards of a council must also observe the principle that the number of electors represented by a councillor must not, as at the relevant date (assuming that the proposal were in operation), vary from the ward quota by more than 10 per cent.	Are the ward models presented in the Representation Options Paper and Representation Review Report within the 10% tolerance.	Compliant	Refer to above, last rep review conducted in 2021
<b>Provision relating to contracts and transactions</b>	37	Contracts are entered into either under the common seal of the Council or by an officer, employee or agent authorised by the Council to enter into the contract on its behalf	Contracts and Transactions and the Common Seal - Select a sample of contracts not executed under common seal and assess: Whether they were executed by an officer with appropriate delegation	Compliant	Sighted 3 signed contracts with the appropriate officer signing off on each. ACC2024/31225

## Legislative Compliance Review

<b>The common seal</b>	38(1)	Common seal is not affixed to a document except to give effect to a resolution of the Council	<ul style="list-style-type: none"> <li>Select a random sample of 3 Sealing legal documents (from the common seal register) and ensure that there is a specific resolution authorising its affixation.</li> </ul>	Compliant	Sighted minutes authorising affixing of seal 12/09/23 481 - Item 9.3 Rec 1 - Item 4.1 GMG Enterprises 09/08/2022 474 - Item 10.3 Hocking Crt 12/07/2022 471 - Item 10.9 EV Charging Station
	38(2)	Affixation of the common seal is attested to by the principal member and the Chief Executive Officer	<ul style="list-style-type: none"> <li>Check if the common seal in the sample is attested by the principal member and the CEO</li> </ul>	Compliant	As above
<b>Committees</b>	41(2)	Council committees are established by resolution of the Council within the purposes allowed by the Act	Obtain copies of minutes evidencing Council resolutions to establish existing section 41 committees (including the audit committee) and, in respect of each committee, copies of the following: 3.1 terms of reference and meeting procedures  3.2 list of committee members	Compliant	Minutes Council meeting 29/11/2023 sighted. Item 17.1 - Meeting Structure established City Finance and Governance, City Planning, Development and Business Affairs, City Community Services and Culture and Infrastructure and Public Works Committees established Minutes Council meeting 13/12/2023 sighted Item 10.3 Noting of terms of reference of Risk and Audit Committee
	41(3)	Membership of committees has been determined by the Council	As above	Compliant	ARC minutes 13 Dec 2022 sighted of membership of committee Appointment of Council Member to Council Assessment Panel - minutes 13 Dec 2022 -sighted Establishment & appointment to Rec Committee - 13 Dec 2022 - sighted Appointment to Kadaltilla - 13 Dec 2022 sighted Appointment to ACMA - 13 Dec 2022 sighted
	41(4)	The Council has either appointed a presiding member for a committee or made provision of appointment	As above	Compliant	As above



	41(8)	Council has determined the reporting and other accountability requirements that are to apply in relation to the committee	As above	Compliant	As above
	41(9)	Committees performing regulatory activities report at least quarterly to the Council	As above	Compliant	Committees are held every month or at least quarterly as per the schedule in Modern Gov
<b>Ability of council to establish a subsidiary</b>	42(1)	Council has established subsidiaries to provide a specified service(s), to manage or administer property/facilities/activities on behalf of Council, or to perform a function of the council under this/another Act	Obtain copy of all Council subsidiary or regional subsidiary and the charters for those subsidiaries	Compliant	Subsidiaries hold a Charter that spells out what the subsidiary must do - Charters sighted
	42(2)	Subsidiaries established by the Council do not perform regulatory activities	As above	Compliant	Charters updated in Oct / Nov 2023
	42(3)	Ministerial approval has been obtained for the establishment of subsidiaries	As above	Compliant	Gazetted - sighted
<b>Ability of councils to establish a regional subsidiary</b>	43(1)	Council has resolved to establish regional subsidiaries with at least one other Council to provide a specified service(s), carry out a specified activity or to perform a function of the councils under this/another Act.	As above	Compliant	A -s above
	43(2)	Regional subsidiaries performing a regulatory activity do not perform any significant and related service activity	As above	Compliant	N/A
	43(3)	Ministerial approval has been obtained for the establishment of regional subsidiaries	As above	Compliant	N/A

## Legislative Compliance Review

<b>Delegations</b>	44(2)	Delegations have only been made to Council committee, a subsidiary of the council, an employee of the council, the employee of the council for the time being occupying a particular office/position, or an authorised person.	5.1. the Council resolution to adopt its existing schedule of delegations; and  5.2. the schedule of delegations under the Local Government Act  5.3. an instrument of delegation for 2 Council officers	Compliant	Council adopted the delegation 26 Sept 2023 - sighted
	44(3)&(3a)	Council has not delegated any of the powers under this subsection.	As above	Compliant	As above
	44(6)	A separate record is kept of all delegations under this section and is reviewed at least once in every financial year	Check TRIM to ascertain if a separate record is kept of all delegations, and Council resolutions to ensure there has been annual review of them.	Compliant	2023 delegations folder in TRIM with all the signed paperwork 2024 folder has been set up
	44(7)	The record of delegations is available for inspection (without charge) at the principal office of the Council during normal business hours	Check that the register is available in the Customer Centre	Compliant	Available on the external website, it will be printed when requested
	44(8)	A person is entitled on payment of a fee fixed by the Council to an extract from the record of delegations under s44(6)	As above	Compliant	Charge per page for generic copy, Fees and Charges - sighted
<b>Principal office</b>	45(1)	Council has nominated a place as its principal office for the purposes of this Act	Check the principal office	Compliant	25 Pirie Street, Adelaide
	45(2)	The principal office of the Council is open to the public for the transaction of business during hours determined by the Council	Check the opening hours of the principal office	Compliant	The Customer Centre opening hours are Monday to Friday 8.30am to 5.00pm and have not been changed in the last 4 years. Public Holidays, the centre is not open.
	45(3)	Council has consulted with its local community about the manner, places and times at which its offices will be open to the public for the transaction of business, and about any significant changes to those arrangements.	Have there been changes to the opening hours/days	Compliant	No, not for the last 4 years. Opening days and hours remain the same

<b>Prudential requirements for certain activities</b>	48(aa1)	Council has developed and maintained prudential management policies, practices and procedures in accordance with the section.	review the following documents to ensure the requirement of the act is met: 6.1. if a prudential report has been prepared by the Council, a copy of the prudential report and the officer report to Council accompanying the prudential report and minutes relating to the agenda item 6.2. copies of Council’s prudential management policy and procedures adopted under section 48(aa1)	Compliant	Sighted Prudential Management Policy ACC2023/153503
	48(a1)	The prudential management policies, practices and procedures are consistent with the regulations (no prescribed regulation)	As above	Compliant	Sighted Prudential Management Policy ACC2023/153503
	48(1) & 48(2)	Before engaging in any project, the council has given consideration to this section.	As above	Compliant	Sighted Prudential Management Policy ACC2023/153503
<b>Contracts and tenders policies</b>	49(a1)	Council must develop and maintain procurement policies, practices and procedures in accordance with this section	Copies of the Council’s contracts and tenders policy and any other tendering procedures observed by the Council	Compliant	Sighted documents/templates/operating guidelines on Sharepoint page: Procurement & Contract Management Policies and Operating Guidelines
	49(1)	Council must prepare and adopt policies on contracts and tenders in accordance with this section	As above	Compliant	Sighted documents/templates/operating guidelines on Sharepoint page: Procurement & Contract Management Policies and Operating Guidelines
	49(2)	The policies must cover the matters set out in this subsection	As above	Compliant	Sighted documents/templates/operating guidelines on Sharepoint page: Procurement & Contract Management Policies and Operating Guidelines
<b>Public Consultation Policies</b>	50(1)	Council must prepare and adopt a public consultation policy	Review the Council’s public consultation policy	Compliant	Sighted Community Consultation Policy

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	50(2)	The policy must cover the matters identified in subsections (2), (3), (4) and (5)	As above	Compliant	Sighted Community Consultation Policy
	50(6)	Council has followed the steps in this subsection before adopting, altering or substituting its public consultation policy (unless Council determines the change is only of minor significance that would attract little (or no) community interest – s50(7))	As above	Compliant	Sighted Community Consultation Policy
	50(8)	A policy of the Council under this section must be available for inspection at the principal office of the Council during ordinary office hours	Review the Council policy for material conflict of interest and ensure it available for inspection	Compliant	Printed copy available at the customer centre
	50(9)	A copy of a policy under this section must be available for purchase on payment of a fee fixed by the Council	Review if a fixed fee is on the Fees and Charges register available for purchase under this policy	Compliant	Printed copy available at the customer centre
<b>Principal member of council</b>	51(3)	The deputy mayor (if any) has been appointed by resolution	View council minutes of appointment	Compliant	Minutes sighted 13 Dec 2022
	51(4)	The deputy mayor (if any) was chosen by the member of council from amongst their own number and holds office for a term determined by the Council (not exceeding 4 years)	As above	Compliant	As above
<b>Declaration to be made by members of councils</b>	60	Members have made an undertaking in the prescribed manner and form at or before the first meeting attended (Local Government (General) Regulations 2013, Reg 6)	Review copies of declarations signed by each Council member - check date to ensure it was signed at or before first meeting following the November 2022 elections, check content to ensure it meets requirements, and is witnessed by appropriate person.	Compliant	These now go to ESCA

<b>Register of Interest</b>	64	The register of interest must be maintained for ordinary and primary returns of incumbent members and the members of any council committees and subsidiaries to whom the register of interest provisions apply.	Register of Interests for Elected Members The Register of Interest comprising all ordinary and primary returns of incumbent members and the members of any council committees and subsidiaries to whom the register of interest provisions apply	Compliant	We do this for ACMA, AEDA, CAP and Council. When returns are received, they are filed in TRIM and ACMA, AEDA and Council are published online (sighted)
<b>Lodging of primary returns</b>	65	Each member of the Council has submitted to the Chief Executive Officer a primary return within six weeks after election or appointment (Local Government (General) Regulations 2013, Regs 8 and 9(5))	As above	Compliant	Yes, returned within 6 weeks. Confirmed.
<b>Lodging of ordinary returns</b>	66	Each member of Council has submitted to the Chief Executive Officer an ordinary return on or within 60 days after 30 June each year in accordance with Schedule 3 (Local Government (General) Regulations 2013, Reg 8)	As above	Compliant	Yes, this occurs. Confirmed and sighted.
<b>Register of Interests</b>	68(1)	The Chief Executive Officer maintains a Register of Interests and has caused to be entered in the Register all information furnished pursuant to this Division and Schedule 3	As above	Compliant	Governance maintains the record on behalf of the CEO in Content Manager, by primary / ordinary returns and sub containers
<b>Inspection of Register</b>	70(a1)	Council has published on the website the required details from the register as set out in this section,	As above	Compliant	Yes, confirmed and sighted
	70(1)	The Register is available for inspection without charge at the principal office of the Council during ordinary office hours	As above	Compliant	Yes, online, external website
	70(2) &(3)	A copy of a Register under this section must be available for purchase for a fee fixed by the Council	As above	Compliant	Yes, Customer Centre will compile, a fee will be charged as per the Fees and Charges.
<b>Application of Division to members of committees and subsidiaries</b>	72(1)	Council committee members submit returns if resolved by the Council	Determine if Council has resolved for Committee members to submit returns, and if so, check that they have been submitted.	Compliant	Yes, confirmed and sighted
	72(2)	Subsidiary Board Members must submit returns if the Charter provides for it	Determine if charters require returns be submitted. Ascertain if all required returns were submitted by Board Members.	Compliant	Yes, ARC and Reconciliation did not have this in the Charter but will in the future.

Material conflict of interest	73	Material conflict of interest must be recorded	<p>Sections 73 – 75 - Conflict of Interest for Elected Members</p> <p>12.1 Copies of minutes of three different Council meetings held since 1 April 2016 at which a material, actual or perceived conflict of interest has been disclosed</p> <p>12.2 Details of Conflict of Interest training provided to elected members and members of Committees or subsidiaries</p> <p>12.3 Details of any protocols in place to assist an elected member in seeking clarification in regards to conflict of interest requirements and whether or not the member has a material, actual or perceived conflict of interest.</p>	Compliant	<p>Sighted draft minutes where a material conflict of interest was declared and recorded.</p> <p>13/02/2024 30/01/2024 28/11/2023</p> <p>Conflict of interest training was held and attended by all CMs on 26/04/2023 except for Cr Siebentritt who did his training on 20/09/2023 28/11/2023</p> <p>Section 4.6 of the Code of Practice for Meeting Procedures details the process with respect to conflict of interest, including seeking advice from the Manager Governance.</p>
	74	If a member of a council has a material conflict of interest in a matter to be discussed at a meeting of the council, the member must— (a) inform the meeting of the member’s material conflict of interest in the matter; and (b) leave the meeting room (including any area set aside for the public) such that the member cannot view or hear any discussion or voting at the meeting, and stay out of the meeting room while the matter is being discussed and voted on.	As above	Compliant	<p>Sighted draft minutes where a material conflict of interest was declared and recorded, and it was recorded that the CM left the room and re-entered when the item was concluded</p> <p>13/02/2024 30/01/2024 28/11/2023</p>
	74(1), 75A & 75B	A council or committee member with a conflict of interest to be discussed at a meeting has informed the meeting of the conflict, and left the meeting room	As above	Compliant	<p>Sighted draft minutes where a material conflict of interest was declared and recorded, and it was recorded that the CM left the room and re-entered when the item was concluded</p> <p>13/02/2024 30/01/2024 28/11/2023</p>

	74(5)	The Chief Executive Officer has recorded a member of council's disclosed conflict of interest in accordance with this section	Evidence of documented allowances	Compliant	Sighted draft minutes where a material conflict of interest was declared and recorded, and it was recorded that the CM left the room and re-entered when the item was concluded 13/02/2024 30/01/2024 28/11/2023
<b>Allowances</b>	76(8) & 76(11)	Allowances commence on the conclusion of the relevant periodic election and conclude on certification of the last results of the next periodic election	As above	Compliant	Sighted spreadsheets that list monthly allowances to CMs from Nov 22 to now ACC2023/7853
	76(9)	Allowances are adjusted on the first, second and third anniversaries of the relevant periodic elections	As above	Compliant	Sighted spreadsheets that list monthly allowances to CMs from Nov 22 to now ACC2023/7853. Allowances for 23/24 indicates an increase from 12/11/2023 ACC2023/120945
	76(12)	An allowance is paid in accordance with the regulations (no prescribed regulation)	As above	Compliant	Sighted spreadsheets that list monthly allowances to CMs from Nov 22 to now ACC2023/7853. Allowances for 23/24 indicates an increase from 12/11/2023 ACC2023/120945
<b>Reimbursement of expenses</b>	77(1)(b) & 77(2)	Council has approved, either specifically or under a policy approved by the Council to reimburse expenses of a kind prescribed by the regulations since the last periodic election (no prescribed regulation)	13.1 Copy of Council's elected member allowances and benefits policy (or policies) addressing reimbursement of elected member expenses and facilities and support provided to members  13.2 Copy of any minutes of a Council meeting that including a resolution to provide a benefit or reimbursement to a member that is not otherwise provided for in the Council's policy.	Compliant	Sighted Council Member Allowances and Benefits Policy ACC2023/151032

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<b>Provision of facilities and support</b>	78(2)	Council has specifically resolved the provisions of facilities and support in accordance with this section.	Council provide facilities and other forms of support to its members to assist members in performing or discharging official functions and duties	Compliant	Sighted Council Member Allowances and Benefits Policy ACC2023/151032 approved by council on 26/09/2023 Item 9.2 Recommendation 10 - Item 4.10
<b>Register of allowances and benefits</b>	79(1)	A register of allowances and benefits is kept by the Chief Executive Officer in accordance with this section	Review the register of allowances and benefits for elected members - for a sample of a quarter	Compliant	Sighted Council Member Allowances and Benefits Policy Register ACC2023/120945 both in Content Manager and on the External website
	79(2)	An appropriate record is made in the Register of the matters contained in this section	As above	Compliant	As above
<b>Insurance of members</b>	80	Council has in place a policy of insurance for every member of the Council, and a spouse domestic partner or another person who may be accompanying a member of the Council, against risks associated with the performance or discharge of official functions and duties by members	Evidence of certificate of insurance policies	Compliant	Insurance certificates sighted and added to CM folder VS2023/6773
<b>Training and development</b>	80A(1)	Council has prepared and adopted a training and development policy for its members	Training and Development Council's training and development policy for members	Compliant	Sighted Council Member Training and Development Policy ACC2023/154918 approved by council on 26/09/2023 Item 9.2 Recommendation 12 - Item 4.12
	80A(2)	The policy is aimed at assisting members in the performance and discharge of their functions and duties and complies with any requirements prescribed by the regulations (Local Government (General) Regulations 2013, Reg 8AA)	As above	Compliant	As above
<b>Frequency and timing of ordinary meetings</b>	81(1)	Council has resolved the times and places for the holding of ordinary Council meetings	Meeting schedule setting out dates of all Council ordinary meetings	Compliant	Council meetings held fortnightly on Tuesday evenings and begin at 5.30pm and is recorded on calendar available to the public
	81(2)	The resolution provides for at least one ordinary meeting in each month	As above	Compliant	As above



	81(5)	Ordinary meetings are not held on Sundays, or on public holidays	As above	Compliant	As above
	81(6)	In relation to municipal councils, Ordinary meetings are not held before 5pm unless the Council resolves otherwise by a resolution supported unanimously by all members of the Council	As above	Compliant	As above
<b>Calling of special meetings</b>	82(1)	The Chief Executive Officer has called a special meeting of the council in accordance with this section	82.2 A copy of an agenda for the special meeting	Compliant	Sighted a copy of a Special Council meeting - 31/10/23
<b>Notice of ordinary or special meetings</b>	83(1)	Each member of Council is given at least three clear days' notice of an ordinary meeting	17.1 A copy of a public notice given for a Council and Committee meeting and details of the method adopted by Council to give public notice of committee and Council meetings 17.2 Copy of a Notice and Agenda for a special meeting of the Council	Compliant	Yes, sighted and confirmed in ModernGov
	83(2)	In the case of a special meeting, Council members are given at least four hours' notice of the meeting	As above	Compliant	Correct, sighted and confirmed with Council Governance
	83(3)	Notice of a meeting of the Council complies with the requirements of this section	As above	Compliant	Correct, sighted and confirmed with Council Governance
	83(4)	The Chief Executive Officer provides an agenda to members with items that are described with reasonable particularity and accuracy, and supplies a copy of any documents or reports that are to be considered at the meeting (as far as this is practicable)	As above	Compliant	Correct, sighted and confirmed with Council Governance
	83(6)& (7)	Notice is given to Council members in accordance with this requirements of this section	As above	Compliant	Correct, sighted and confirmed with Council Governance

<b>Public notice of council meetings</b>	84(1)	The Chief Executive Officer gives notice to the public of the times and places of meetings of the Council	As above	Compliant	Correct, this is on external website, under Meeting Calendar
	84(1a)	The Chief Executive Officer gives notice in accordance with this subsection	As above	Compliant	As above
	84(2)	The notice is given at least three clear days before the date of the meeting for ordinary meetings, and as soon as practicable after the time that notice of the meeting is given to members in the case of special meetings	As above	Compliant	As above
	84(3)	The notice and agenda are kept on public display and on the website until completion of the relevant meeting	As above	Compliant	All notices of agendas are placed on Council website
	84(5)& (6)	The Chief Executive Officer ensures that a reasonable number of copies of any document or report supplied to members of the Council for consideration at a meeting of the Council are available for inspection by members of the public in accordance with this section	As above	Compliant	Placed on council website
<b>Calling and timing of committee meetings</b>	87(1)	Ordinary meetings of Council committees are held at times and places appointed by the Council or, subject to a decision of the Council, the Council committee	As above	Compliant	Confirmed on external website
	87(2)	The Council or committee has taken into account that matters in this subsection when appointing a time for the holding of an ordinary meeting of a committee	As above	Compliant	Confirmed with Council Governance
	87(4)	Notice is given to each member of a Council committee of an ordinary meeting at least three clear days before the date of the meeting	As above	Compliant	Confirmed with Council Governance
	87(7)	Notice is given to each member of a Council committee of a special meeting at least four hours before the commencement of the meeting	As above	Compliant	Confirmed with Council Governance
	87(8)	Notice of a committee meeting meets the requirements of this section	As above	Compliant	As above

	87(9)	The Chief Executive Officer provides an agenda to members of a Council committee with items that are described with reasonable particularity and accuracy, and supplies a copy of any documents or reports that are to be considered at the meeting (as far as this is practicable)	As above	Compliant	Confirmed and sighted on external website
	87(11)& (12)	Notice is given to members of a Council committee in accordance with this requirements of this section	As above	Compliant	As above
	87(13)	The Chief Executive Officer maintains a record of all notices of meetings given under this section	As above	Compliant	As above
<b>Public notice of committee meetings</b>	88(1)	The Chief Executive Officer gives notice to the public of the times and places of meetings of a Council committee	As above	Compliant	Confirmed on external website
	88(1a)& (2)	The Chief Executive Officer gives notice in accordance with these subsections	As above	Compliant	As above
	88(3)	The notice and agenda are kept on public display and on the website until completion of the relevant meeting	As above	Compliant	Confirmed on council website
	88(5)& (6)	The Chief Executive Officer ensures that a reasonable number of copies of any document or report supplied to members of the Council for consideration at a meeting of the Council are available for inspection by members of the public in accordance with this section	As above	Compliant	Confirmed on council website
<b>Proceedings of council committees</b>	89(1)	The procedure of a council committee meeting is as prescribed by legislation, as determined by the council, or as determined by the council committee itself.	As above	Compliant	Code of practice for meeting procedures
<b>Meetings to be held in public except in special circumstances</b>	90(1)	Subject to this section, meetings of a Council or Council committee are conducted in a place open to the public	Copies of extracts of the minutes of 5 different Council meetings that relate to agenda items that have been considered in confidence	Compliant	Held in the Chamber

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	90(2), (3) (4) & (5)	A council or council committee meeting excluding the public is held in accordance with these subsidiaries	As above	Compliant	As above
	90(7)	If an order is made under s90(2), a note is made in the minutes of the making of the order and the grounds on which it is made; the basis on which the order falls within each ground; and, if relevant, the reason why the dealing with the matter in the open is not in the public interest	As above	Compliant	As above
<b>Minutes and release of documents</b>	91(1)& (2)	Minutes are kept of the proceedings at every meeting of the Council or a Council committee and, where relevant, contain the information specified under sections 74 and 75A	As above	Compliant	Minutes are placed on the external website / TRIM
	91(3)	Each member of the Council is provided with a copy of all minutes of the proceedings of the meeting kept under this section within five days after the meeting of Council or a Council committee	As above	Compliant	Once minutes are published, email is sent to all members containing the relevant meeting. Also made available on ModernGov app for the members. Only on a couple occasions, failed to meet the 5 clear day legislative timeframe because it was a special meeting and it fell on a Thursday prior to a long weekend.
	91(8)	Council has not made confidentiality orders in relation to matters contained in this subsection	As above	Compliant	Each meeting (if confidential order), will go into confidence each time for each separate report
	91(9)	All confidentiality orders comply with this subsection	As above	Compliant	Each meeting (if confidential order), will go into confidence each time for each separate report
	91(9) (ab)	In the case of an order of specified duration, the duration is not extended after the expiry date or trigger; and no delegation has been given by the council to extend the duration of an order of specified duration	As above	Compliant	Extensions are only granted by Council, once a year in November.

<b>Access to meetings and documents— code of practice</b>	92(1)	Council has prepared and adopted a code of practice in accordance with this section	Access to Meetings and Documents – Code of Practice 19.1 The Code of Practice adopted by the Council regarding access to meetings and meeting procedures adopted under section 92 and details of when they were last reviewed  19.2 Copy of resolution to adopt the Code of Practice	Compliant	Council does not a code of practice for meeting procedures and access to meetings and documents - sighted
	92(2)	Council has reviewed its code of practice within 12 months of the last periodic election	As above	Compliant	Reviewed in Dec 2023
	92(4)	Council's code of practice includes any mandatory requirements prescribed by the regulations (Local Government (Procedures at Meetings) Regulations 2013, Reg 6)	As above	Compliant	Council does not a code of practice for meeting procedures and access to meetings and documents - sighted
	92(5)	Council has complied with the requirements of this subsection before it has adopted, altered or substituted its code of practice and has made a copy of the code available on the website	As above	Compliant	As above
<b>Meetings of electors</b>	93(2)	The Chief Executive Officer has given notice of the time and place of a meeting of electors convened under this section at least 14 days (and not more than 28 days) before the date of the meeting	Evidence of council meetings	Compliant	Meeting calendar online
	Schedule 5	The Chief Executive Officer has made available (so far as is reasonably practicable) for inspection on the internet, an up-to-date schedule of the dates, times and places set for meetings of the Council and Council committees	Council meetings provided on the internet	Compliant	Council/Committee meetings schedule available on public website
<b>Chief Executive Officer</b>	96(1)	Council has a Chief Executive Officer	Appointment of Chief Executive Officer	Compliant	CEO appointed - Acting CEO in place at the moment
<b>Appointment procedures</b>	98(1) & (2)	The Council has appointed a person to act in the position of Chief Executive Officer if the position is vacant and until the vacancy is filled	Acting CEO position	Compliant	Confirmed by Louise that this is in place

<b>Role of chief executive officers</b>	99(2)	The Chief Executive Officer has consulted with the council when changing the council's organisational structure or the processes, terms or conditions of senior executive officers	Evidence of last organisational change	Compliant	2020 was the last organisational change 'reshaping'. People hold copies of Council briefings/presentations etc.
<b>Appointment of other staff</b>	103 (2) (3)	2) The chief executive officer must ensure that an appointment under subsection (1) is consistent with strategic policies and budgets approved by the council. (3) The chief executive officer must, in acting under subsection (1), comply with any relevant Act, award or industrial agreement.	Appointment of Employees by CEO and General Principles of HR Management Details of Council's human resource policies and procedures including details of employee disciplinary procedures	Compliant	People team hold an Oscar page with all relevant details. Information is stored here and available for all staff, including HR policies and procedures - sighted on Sharepoint
<b>Register of remuneration, salaries and benefits</b>	105(1)&(2)&(5)	The Register of Salaries is kept by the Chief Executive Officer in accordance with these sections	Register of Remuneration, Salaries and Benefits Copies of the Council's register of remuneration, salaries and benefits under section 105 of the Act and details of the frequency at which the register is updated	Compliant	The Register of Salaries is on the external website and last update was 7 Feb 2024
	105(3)	The Register under this section is to be available for inspection at the principal office of the Council during ordinary office hours	As above	Compliant	As above
	105(4)	An extract from the Register under this section is available for purchase on payment of a fee fixed by the Council	As above	Compliant	Register of Salaries is on the Fees & Charges schedule for a fee
<b>General principles of human resource management</b>	107	The chief executive officer must ensure that sound principles of human resource management are applied to employment in the administration of the council, and must take reasonable steps to ensure that those principles are known to all employees.	As 103	Compliant	Oscar page available to all staff, Business Partners assigned to look after different areas of the business
<b>General duty</b>	109	An employee of a council must at all times act honestly and with reasonable care and diligence in the performance of official duties.	Complaint Handling Procedure for Complaints Against Employees Council's complaint handling procedure for complaints against employees, including under the employee code of conduct	Compliant	Behavioural Standards in place as well as complaints handling procedures

	110	Council employees must observe the code of conduct (Local Government (General) Regulations 2013, Reg 8A0	Behavioural Standards	Compliant	Behavioural Standards in place
<b>Application of Division</b>	111(b)	Council has resolved whether any other officers or class of officers of Council are subject to the requirements of Chapter 7, Part 4, Division 2	Register of Interests for CEO and other Officers as Declared Register of interest in respect of the Chief Executive Officer and staff declared by the Council to be subject to the operation of sections 111 - 119 of the Act.	Compliant	Yes, expanded to include Managers, Directors, Associate Directors.
<b>Lodging of Primary / Ordinary returns</b>	113,114 & 115(1)	The Chief Executive Officer and officers or class of officers under section 111(b) have lodged a primary and ordinary return in accordance with these sections	Primary is performed on appointment Ordinary is performed annually (July)	Compliant	Yes, confirmed and received
<b>Register of Interests</b>	116(1)	The Register of Interests is maintained and includes all information furnished pursuant to this Division	As above	Compliant	Yes, confirmed and received
	116(2)	Where a person has not provided a return in the time allowed, the Chief Executive Officer has notified any person, in writing, of that fact as soon as practicable	As above	Compliant	Follow up reminders has been sent, CEO delegated this to an officer to do this
<b>Inspection of Register</b>	118	The Register must be available for inspection at the request of a member of Council	As above	Compliant	Yes, this is available (sighted)
<b>Restrictions on disclosure (1)</b>	119	A person must not disclose to any other person any information furnished pursuant to this Division unless the disclosure— (a) is necessary for the purposes of the preparation or use of the Register by the chief executive officer; or (b) is made at a meeting of the council, a council committee or a subsidiary of the council.	As above	Compliant	Confirmed, folders in TRIM restricted so limited to relevant staff to access and view

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<b>Conflict of Interest</b>	120	<p>The chief executive officer of a council who has an interest in a matter in relation to which he or she is required or authorised to act in the course of official duties—</p> <p>(a) must disclose the interest to the council; and</p> <p>(b) must not, unless the council otherwise determines during a council meeting that is open to the public, act in relation to the matter.</p> <p>Maximum penalty: \$5 000.</p> <p>(2) An employee of a council (other than the chief executive officer) who has an interest in a matter in relation to which he or she is required or authorised to act in the course of official duties—</p> <p>(a) must disclose the interest to the chief executive officer; and</p> <p>(b) must not, unless the chief executive officer otherwise determines, act in relation to the matter</p>	Details of conflict of interest training for employees	Compliant	Good Governance module includes conflict of interest information for all staff on appointment and then repeated every 2 years
<b>Strategic management plans</b>	122(1), (1b),(2), (3)	Council has developed and adopted strategic management plans in accordance with this section, including having financial projections in the long term financial plan consistent with those in the infrastructure and asset management plan	<p>25.1 copies of all documents comprising the Council’s strategic management plan including the Council’s Long Term Financial Plan and Asset Management Plan</p> <p>25.2 copies of the reports to Council and minutes regarding the adoption of the plans</p> <p>25.3 details of when the plans were last reviewed and related report(s) to Council</p>	Compliant	All AMPs are currently under review to be finalised and endorsed by Council by June 2024. Urban Elements is currently in Consultation.
	122(1a)	The Council has developed and adopted a long term financial plan for a period of at least 10 years and an infrastructure and asset management plan for a period of at least 10 years	As above	Compliant	LTFP of 10 years is indicated in the AMP
	122(1b)	The Council's long term financial plan is consistent with the Council's infrastructure and asset management plan	As above	Compliant	As above
	122(4), (4a)	Council has undertaken a review of its strategic management plans in accordance with the requirements of this subsection	As above	Compliant	As above



	122(6)	Council has adopted a process or processes to ensure members of the public are given a reasonable opportunity to be involved in the development and review of its strategic management plans	As above	Compliant	Consultation via YourSay, the Urban Elements AMP is currently in this phase as well as the Transport AMP. Others will follow
	122(7)	The strategic management plans under this section are available for inspection (without charge) and purchase (fixed fee determined by the council) at the principal office of the Council during ordinary office hours	As above	Compliant	Online on our website
	122(8)	Council has specifically declared which plans constitute the strategic management plans of the Council	As above	Compliant	There are 6 plans
<b>Annual business plans and budgets</b>	123(1)	Council has, for each financial year, an annual business plan and a budget	<p>26.1 copy of the Council's most recently adopted annual business plan;</p> <p>26.2 copy of the notices published in the newspaper regarding the draft annual business plan and inviting persons to attend a public meeting and to make submissions</p> <p>26.3 details of public meetings held by the Council regarding the draft ABP</p> <p>26.4 the report to Council and minutes regarding adoption of the ABP</p> <p>26.5 a copy of the summary of the Council's ABP</p> <p>26.6 Copies of minutes and report regarding the adoption of Council's most recent budget</p>	Compliant	Sighted Business plan and Budget for 23/24 on website
	123(2)	Council's annual business plan meets the requirements of this subsection (Local Government (Financial Management) Regulations 2011, Reg 6)	As above	Compliant	As above

	123(3)& (4)	Before adoption of the annual business plan, Council prepared a draft annual business plan and followed the steps of its public consultation policy and subsection (4)	As above	Compliant	<p>Item 9.3 - Recommendation 1 - Item 5.1 - Draft 2023/24 Business Plan &amp; Budget Consultation Close-out Decision:</p> <p>THAT COUNCIL:</p> <ol style="list-style-type: none"> <li>1. Notes the consultation outcomes on the 2023/24 Draft Business Plan and Budget, as set out in the updated Attachment A to Item 5.1 as tabled and attached to the minutes for the meeting of the City Finance and Governance Committee held on 20 June 2023 and that the outcomes will inform the 2023/24 Annual Business Plan and Budget that will be presented to Council for adoption on 27 June 2023.</li> <li>2. Receives the submissions and from the community on the 2023/24 Draft Business Plan and Budget, as set out in the updated Attachment B to Item 5.1 as tabled and attached to the minutes for the meeting of the City Finance and Governance Committee held on 20 June 2023.</li> </ol> <p>Refer Below key dates for the consultation.</p> <ul style="list-style-type: none"> <li>• Update on the 2023-24 Annual Business Plan and Budget went to City Finance and Governance Committee - 23rd May 2023, 27th June 2023</li> <li>• Draft 2023/24 Business Plan &amp; Budget Consultation Close-out went to City Finance and Governance Committee – 20th June 2023</li> <li>• Draft 2022-2023 Business Plan and Budget Engagement Outcomes – 14th June 2023</li> </ul>
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					<ul style="list-style-type: none"> <li>• Draft Annual Business Plan and Budget went to Public Consultation from the 25th May – 18th June 2023</li> <li>• Draft Annual Business Plan and Budget went to A&amp;R committee – 12th April 2023 &amp; 14th June 2023</li> </ul>
123(5)	Copies of the draft annual business plan are available at the meeting and for inspection and purchase at the principal office of the Council at least 21 days before the date of that meeting and a copy of the draft is placed on the website	As above	Compliant	As above	
123(5a)	Provision is made for the asking and answering of questions and the receipt of submissions on the Council website during the public consultation period	As above	Compliant	As above	
123(6)	Council has adopted the annual business plan after considering the matters in this subsection	As above	Compliant	As above	
123(7)	The budget has been considered in conjunction with the Council’s annual business plan, is consistent with that plan is adopted after adoption of the annual business plan	As above	Compliant	As above	
123(8)	The annual business plan and budget is adopted after 31 May and before 31 August	As above	Compliant	As above	
123(9), (11)	After adoption of the annual business plan and budget, a summary has been prepared and is available in accordance with this subsection, and a copy of the annual business plan and the budget (as adopted) is available on the website	As above	Compliant	As above	
123(10)	The preparation, form and content of the annual business plan, summary and budget meet the requirements of the regulations (Local	As above	Compliant	As above	

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		Government (Financial Management) Regulations 2011, Regs 6 & 7)			
	123(13)	Council has reconsidered the annual business plan or budget as required by the regulations (no prescribed regulation)	As above	Compliant	As above
<b>Internal control policies</b>	125	Council has implemented and maintained appropriate policies, practices and procedures of internal control in accordance with this section	Copy of Council's internal controls policy and details of other internal control policies and procedures	Compliant	Risk audit sighted and added to CM folder VS2023/6773
<b>Audit and Risk Committee</b>	126(1)	Council has an audit committee	Evidence of Audit & Risk Committee	Compliant	Audit and Risk Committee details available on public website
	126(2)	Membership of Council's audit committee complies with the requirements of this subsection	Evidence of membership	Compliant	Audit and Risk Committee terms of reference sighted on public website
<b>Financial statements</b>	127(1), (2)	Council has prepared for each financial year financial and other statements required by this section and the regulations (Local Government (Financial Management) Regulations 2011, Reg 15)	28.1 Copies of Council's most recent audited financial statements and the minutes adopting them.  28.2 Details of the Council's auditor and Minutes reflecting the appointment of the Auditor by Council	Compliant	Sighted, copies of the last audited financial statements and auditor appointed
	127(3)	The statements prepared for each financial year must be audited by the Council's auditor	As above	Compliant	As above
	127(4)	A copy of the audited statements have been submitted by the Council to the persons or bodies prescribed by the regulations on or before the day prescribed (Local Government (Financial Management) Regulations 2011, Reg 16)	As above	Compliant	As above
	127(5)	The audited statements are available for inspection and purchase at the principal office of the Council during ordinary office hours	As above	Compliant	Available online to be viewed. Listed on the Fees and Charges Schedule

<b>The auditor</b>	128(1)	Council has appointed an auditor	As above	Compliant	As above, minutes sighted
	128(2)	Council's auditor has been appointed on the recommendation of the Council's audit committee	As above	Compliant	As above, minutes sighted
	128(2a)	The audit committee has taken into account the matters in the regulations when making a recommendation for appointment (Local Government (Financial Management) Regulations 2011, Reg 17)	As above	Compliant	As above, minutes sighted
	128(3)	The auditor is a registered company auditor or a firm comprising at least one registered company auditor	As above	Compliant	Confirmed and checked
	128(4)	The auditor is not a member of Council or a nominated candidate for election as a member of Council	As above	Compliant	Confirmed, membership of audit committee confirmed
	128(4a)	The term of appointment of the auditor does not exceed 5 years	As above	Compliant	Confirmed, minutes sighted and recorded
	128(6)	The auditor is not disqualified from holding office due to the conditions under this subsection	As above	Compliant	Confirmed and checked
	128(7)	The appointment of the auditor is subject to the terms and conditions prescribed in the regulations (Local Government (Financial Management) Regulations 2011, Reg 22(1))	As above	Compliant	Confirmed and checked
	128(8)	The Council and Council's auditor are compliant with the requirements prescribed in the regulations regarding the auditor's independence (Local Government (Financial Management) Regulations 2011, Reg 22)	As above	Compliant	Confirmed and checked
	128(9)	Council's annual report contains the information required by this subsection	As above	Compliant	Annual report sighted and confirmed
<b>Conduct of audit</b>	129(1)	Council's audit includes the matters contained in this subsection	As above	Compliant	Annual report sighted and confirmed

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	129(2)	Council's audit has been carried out in accordance with the standards prescribed by the regulations (Local Government (Financial Management) Regulations 2011, Reg 19)	As above	Compliant	Annual report sighted and confirmed
	129(3), (4), (5)	The auditor has provided to the Council an audit opinion in accordance with these subsection	As above	Compliant	Sighted in the financial statements
	129(5a)	The audit opinions and advice are provided to members of the Council and the audit committee in accordance with this subsection	As above	Compliant	Sighted in the financial statements
	129(5b), (5c)	The audit opinion and advice are placed on the agenda for consideration in accordance with these subsections	As above	Compliant	Sighted in the financial statements
	129(9)	The opinions provided under s129(3) accompany the financial statements of the Council	As above	Compliant	Sighted in the financial statements
<b>Annual report to be prepared and adopted</b>	131(1)	Council has prepared and adopted an annual report relating to the operations of the Council for the financial year ending on the preceding 30 June by 30 November	Copy of the Council's most recent Annual Report and Minutes of its adoption	Compliant	Council - Meeting Minutes, Tuesday, 24 October 2023, at 5.33 pm 12.10 Recommendation 10 - Item 7.10 - City of Adelaide Annual Report 2022/23 Moved by Councillor Noon, Seconded by Councillor Elliott - THAT COUNCIL: 1. Adopts the draft City of Adelaide Annual Report 2022/23 as provided in Attachment A to Item 7.10 on the Agenda for the meeting of the City Finance and Governance Committee held on 17 October 2023. 6. Notes that the Chief Executive Officer will make any editorial amendments resulting from a recommendation of Council and any formatting changes to the 2022/23 Annual Report. Carried unanimously
	131(1a)	The annual report must include the amount of legal costs incurred by the council in the relevant financial year	As above	Compliant	As above

	131(2)	The annual report includes the material and matters specified in Schedule 4 as amended by regulation (no prescribed regulation)	As above	Compliant	As above
	131(3)	The annual report complies with the regulations (no prescribed regulations)	As above	Compliant	As above
	131(4)	The annual report has been provided to each member of the Council	As above	Compliant	As above
	131(5)	The annual report has been submitted in accordance with the subsection (Local Government (General) Regulations 2013, Reg 10)	As above	Compliant	As above
<b>Access to documents</b>	132(1), (2)	The documents referred to in Schedule 5 are available for inspection and purchase at the principal office of the Council during ordinary office hours <ul style="list-style-type: none"> <li>- Representation options papers and reports of council composition or ward structure</li> <li>- Registers and returns</li> <li>- Codes of practice</li> <li>- agenda and minutes, solutions, schedule of dates, times and places set for meetings</li> <li>- information and briefing session papers</li> <li>- policy and administrative documents (delegations, contract / tender policies, reimbursement of members' expenses, draft/final annual business plan, audited financial statements, annual report, fees and charges, public consultation policies, behavioural management policies, behavioural support policies, employee behavioural standards, management plans for community land, policy on making of orders, procedures for the review of council decisions, charter for subsidiaries established by council</li> <li>- by-laws</li> </ul>	Evidence of documents being accessible (i.e. council website) and on fees & charges	Compliant	All documents have been sighted and are published on the website.

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	132(3)	The documents required by this subsection are available for inspection on the website within a reasonable time after they are available at the principal office of the Council	As above	Compliant	On website
<b>Borrowing and related financial arrangements (1)</b>	134(3) & (4)	The Council has obtained and considered independent and impartial advice about proposed financial arrangements before entering into financial arrangements for the purpose of managing, hedging or protecting against movements in interest rates or other costs of borrowing	Copies of Council's Treasury or other Finance Policies that address Council's position regarding borrowing, provision of security and investments	Compliant	Sighted in the financial statements
	139(2)(a)	The Council has exercised the care, diligence and skill of a prudent person of business in exercising its power of investment.	As above	Compliant	Sighted in the financial statements
<b>Review of investments</b>	140	Council, at least once in every year, reviews the performance (individually and as a whole) of its investments	Copy of a report to the Council regarding a review of its investments under section 140 and related minutes to adopt report	Compliant	There is a Treasury Policy , address investments and borrowings Council does not hold any funds as investments greater than 6 months.
<b>Duty to insure against liability</b>	142(1)	Council has taken out and maintained insurance to cover its civil liabilities at least to the extent prescribed by regulation (Local Government (Financial Management) Regulations 2011, Reg 24)	Evidence of insurance certificates	Compliant	MLS certificates sighted and added to CM folder VS2023/6773
<b>Writing off bad debts</b>	143(2)	Bad debts are not written off unless the Chief Executive Officer has made the certification required under this subsection	Copy of Debt Management policy	Compliant	Sighted Debt Collection Policy ACC2022/64542
	143(3)	The delegation to write off debts include an amount above which the delegation will not apply	As above	Compliant	Bad Debt write off: Chief Operating Officer - up to \$10,000 Manager, Finance & Procurement - up to \$5000 Team Leader, Rates & Receivables – up to \$1000



<b>Rates and charges</b>	150	A council may impose rates and charges of the following kinds on land within its area: (a) general rates; (b) separate rates; (c) service rates; (d) service charges.	33.1 Copies of the notices of declaration of rates published in the gazette and local paper (including date of publication)  33.2 a copy of the minutes of the Council's most recent rate declaration  33.3 a Copy of any rating policy adopted by the Council	Compliant	Sighted the Gazette notice from 13 July 2023 and advertisement from paper  Sighted minutes of meeting from Council 27 June 2023 where rates were declared along with Business Plan and Budget  Sighted Rating Policy for 2023/2024 - ACC2024/13873
<b>Basis of rating</b>	151(5)	Before changing the basis of the rating/value of any land or imposing rates on land, the Council has prepared a report on the proposed change and followed the relevant steps set out in the public consultation policy	Evidence of report	Compliant	Rates haven't changed over the past 10 years, only change is vacant land., no pension rebates
<b>Declaration of general rate (including differential general rates)</b>	153(2), (3) & (5)	Before declaring general rates, the Council has considered issues of consistency and comparability across Council areas and the implication of rates on businesses and the community	Evidence of report	Compliant	Rates haven't changed over the past 10 years, only change is vacant land., no pension rebates
<b>Notice of differentiating factors</b>	157	If the Council has declared differential rates, the council has specified the differentiating /combination factor/s in each rates notice.	Evidence of report/minutes	Compliant	Sighted Gazette notice which specifies differential rates
<b>Rebates of Rates</b>	159(3)	The Council has granted a rebate of rates in accordance with Part 1 Division 5	34.1 Details of at least 3 mandatory rebates provided and copies of corresponding rates notices  34.2 Copy of the Council's rate rebate application form (if any)  34.3 Copy of report regarding a discretionary rebate granted under section 166	Compliant	Sighted examples of Religious, Educational and Health Rebates applied by Council  Sighted Council's Application for Mandatory/Discretionary Rebate Form  Sighted Discretionary rebate (40%) applied to Adelaide Repertory Theatre Inc dated 12 January 2024

## Legislative Compliance Review

<b>Valuation of land for the purpose of rating</b>	167(1)	The Council has not declared a rate for a particular financial year before adopting the valuations that are to apply to land within its area for rating purposes	Evidence of report and minutes	Compliant	Part of the business plan and budget process at the EOY, declaration of rates and valuations go up to Council, sighted Business Plan Summary and Business Plan
<b>Notice of declaration of rates</b>	170	Notice of the declaration of a rate or service charge has been published in the Gazette and in a local newspaper within 21 days after the date of declaration	Evidence of publication Gazette	Compliant	Sighted Gazette No 53 dated 13 July 2023 where rates were declared
<b>Chief executive officer to keep assessment record</b>	172(1)	The Assessment Record is kept by the Chief Executive Officer in accordance with this subsection	35.1 Copy of extract from the Council's Assessment Record for 3 rateable properties within its area	Compliant	Sighted copy of Assessment book and 3 rateable properties
	172(2)	The Chief Executive Officer has determined the manner and form for an occupier to make application under this subsection	As above	Compliant	Sighted copy of Assessment book and 3 rateable properties
	172(3)	The Chief Executive has entered occupier's names in the assessment record where an application has been made	As above	Compliant	Sighted copy of Assessment book and 3 rateable properties
	172(4), (5)	Suppression of names and addresses from the assessment record have been done in accordance with these subsections	Details of the procedure observed by the Council for the suppression of information regarding a ratepayer from the Assessment Record	Exceptions noted	Currently just in job description tasks no formal process document
<b>Alterations to assessment record</b>	173(2)	The Chief Executive Officer has determined the manner and form for application to alter the assessment record	Details of the procedure observed by the Council for alterations to the Assessment Record	Exceptions noted	Currently just in job description tasks no formal process document
	173(5)	The Council has determined a procedure for the review of decisions under this section.	As above	Exceptions noted	Currently just in job description tasks no formal process document

<b>Inspection of assessment record</b>	174(1)	The assessment record is available for inspection at the principal officer of the Council during ordinary office hours	Evidence of assessment records made available	Compliant	Sighted assessment folder kept behind Customer Centre Service Desk in locked office and available to MoP when required
	174(2)	A copy of an entry made in the assessment record is available on payment of a fee fixed by the Council	Evidence on fees and charges	Compliant	Sighted fees and charges list
	174(3)	A person who inspects the record is advised that the information contained in the record must not be used for a commercial purpose	As above	Exceptions noted	When a person inspects the record they are informed not to use for a commercial purpose. The folder with the assessment record should contain these conditions when inspecting the record.
<b>Service of rate notice</b>	180(1)	After the declaration of a rate, the imposition of a service charge, or a change in the rates liability of land, the Council has sent a rates notice to the owner or occupier of the relevant land.	A copy of a Council rates notice	Compliant	Sighted a copy of a rates notice
	180(2) & 181(5)	The Council's rates notice sets out the amount of the instalment and the date of which the instalment is due (or information prescribed by the regulations if payment is to be postponed) (Local Government (General) Regulations 2013, Reg 17)	As above	Compliant	Sighted a copy of a rates notice with all details specified
<b>Sale of Land for Non-payment of Rates</b>	184 (2), (3) & (4)	Before selling land for non-payment of rates, the council has sent a notice to the principal ratepayer in accordance with this section's provisions.	Where the Council has sold land for non-payment of rates under section 184, copies of the following: 37.1 the notice sent to the ratepayer as required under 184(2)  37.2 the reports to Council in relation to the sale and related minutes  37.3 details of procurement of the auctioneer and the application of money received from the sale	Compliant	Need to run through Council prior to actioning anything. Last property sold was 10 years ago.

## Legislative Compliance Review

<b>Certificate of liabilities</b>	187(1)	On application by/on behalf of a person with interest in land, the Council has issued a certificate stating the amount of any liability for rates or charges on the land, and any amount received on account of rates or charges on the land that is held in credit against future liabilities for rates or charges	Evidence of this occurring	Compliant	Sighted a copy of a certificate issued by Council with respect to this section
<b>Fees and charges</b>	188(6)	The Council keeps a list of fees and charges imposed under this section on public display at the principal office of the council	Copy of Council's schedule of fees and charges	Compliant	Fees and Charges sighted and this is available on the external website
<b>Classification of Community Land</b>	193(2)	Before resolving to exclude land from classification as community land, the Council has followed the relevant steps set out in its public consultation policy	Copy of any resolution of Council to exclude newly acquired land from classification as community land under section 193(4a) an copy of Gazette notice relating to this resolution	Compliant	Sighted Council Minutes from 13 July 2021, No 16, Item 10.13 (page 9&10) - Council resolution for Pirie St Volleyball Courts land.
<b>Revocation of Community Land</b>	194(1)	A council may (subject to the following exceptions and qualifications) revoke the classification of land as community land in accordance with a prescribed procedure Adelaide Park Lands classification cannot be revoked unless by provision of another Act; Classification cannot be revoked if the land is required to be held for the benefit of the community Classification cannot be revoked if the power is excluded by regulation; Classification of other land cannot be revoked unless the Minister approves and if the land is controlled but not owned by Council - the owner approves	Where Council has revoked the classification of land as community land, a copy of the relevant reports to Council for this purpose	Compliant	Sighted Council Agenda from 13 July 2021 which contains Council report for Item 10.13 (pages 295-300)

	194(2)	Before the council revokes a classification, the council must prepare and make publicly available a report on the proposal containing: (i) a summary of the reasons for the proposal; and (ii) a statement of any dedication, reservation or trust to which the land is subject; and (iii) a statement of whether revocation of the classification is proposed with a view to sale or disposal of the land and, if so, details of any Government assistance given to acquire the land and a statement of how the council proposes to use the proceeds; and (iv) an assessment of how implementation of the proposal would affect the area and the local community; and (v) if the council is not the owner of the land—a statement of any requirements made by the owner of the land as a condition of approving the proposed revocation of the classification; and (b) the council must follow the relevant steps set out in its public consultation policy.	Evidence that a council has prepared and made publicly available report containing the relevant information.	Compliant	Sighted Council report (in Council Agenda for meeting of 13 July 2021 - page 297) that indicated that public consultation commenced 25 February 2021 and closed 29 March 2021
	194(3)	After complying with the requirements of subsection (2), the council— (a) must submit the proposal with a report on all submissions made on it as part of the public consultation process to the Minister; and (b) if the Minister approves the proposal—may make a resolution revoking the classification of the land as community land.	Evidence of submission to the Minister	Compliant	Sighted Council report (in Council Agenda for meeting of 13 July 2021 - page 297) that indicated that the Minister had approved the revocation on 5 July 2021
Management plans	196(1), (7)	Council has prepared and adopted management plans for its community land where required by these subsections	Copy of Council’s management plan(s) for community land and details of when it was adopted including copies of relevant minutes and report to Council	Compliant	Sighted Management plan that went to council 10 October 2023 Recommendation 5 - Item 7.5
	196(3), (5)	The Council's management plans meet the requirements of these subsections	As above	Compliant	Sighted Management plan that went to council 10 October 2023 Recommendation 5 - Item 7.5

## Legislative Compliance Review

<b>Public Consultation on Proposed Management Plan</b>	197(1)	Before adopting a management plan for community land, the Council has made copies of the proposed plan available for inspection or purchase, and has followed the relevant steps set out in its public consultation policy	Evidence of copies	Compliant	Sighted copy of minutes from Council 12 September 2023 Item 9.4 Recommendation 2 Item 5.2 and Evidence of consultation 7.5 3 October 2023 City Planning, Development and Business Affairs Committee
<b>Effect of Management Plan</b>	199	Community land is managed in accordance with any management plan for the relevant land	Sample of approvals, permits etc for activities undertaken on Community Land, and assess whether it has occurred in accordance with the relevant CLMP	Compliant	River Permit – Dragonboat SA have an annual river permit for 2 boats, which hold 50 people in total, for Dragonboat racing. River permits are renewed annually on 1 September and fees are charged according to Council’s annually endorsed fees and charges. Permit can be found: ACC2024/44748
<b>Use of Community Land for Business Purposes</b>	200(2)	Council has not approved the use of community land for a business purpose contrary to a management plan	Sample of approvals, permits etc for business use of Community Land, and assess whether it has occurred in accordance with the relevant CLMP	Compliant	PT Permit – Chi PT have an annual Fitness Activity Permit and operate in Light Square. There are two PT’s, however, only one can operate at each time. Both PT’s hold individual Public Liability Insurance. They hold sessions Monday to Friday at 6:15am, 7:15am, 12pm and 12:30pm. Permit is attached. Fitness Activity Administration is tracked in folder: 2012/02152
<b>Alienation of Community Land by Lease of Licence</b>	202(4)	Leases and licences over community land have not been granted for a term exceeding 42 years.	Sample of leases/licences of community land and assess whether appropriate consultation was conducted, or whether exceptions applied.	Compliant	Park 9 (21-year Lease/Licence term) – original Council Decision Report printed: 14/10/2015. Item 14 - Recommendation 5.5, evidence of consultation. Report can be found: ACC2015/209069
	202(6)	Leases and licences are consistent with any relevant management plan		Compliant	Park 9 (21-year Lease/Licence term) – original Council Decision Report printed: 14/10/2015. Item 14 - Recommendation 5.5, evidence of consultation. Report can be found: ACC2015/209069

Register of Community Land	207(1)	Council has a register of all community land in its area	The Council's register of community land	Compliant	Sighted online
	207(2)	<p>The register contains:</p> <ul style="list-style-type: none"> <li>(a) the information required by the regulations; -</li> <li>(a) the legal description of the land (Certificate of Title Register Book Volume and Folio Numbers); and</li> <li>(b) the street address of the land (if any); and</li> <li>(c) the name of the locality or suburb in which the land is situated; and</li> <li>(d) the name by which the land is commonly known (if any); and</li> <li>(e) the area of the land; and</li> <li>(f) the name of the owner of the land (see sections 4 and 189 of the Act); and</li> <li>(g) the following details concerning any lease or licence granted over the land: <ul style="list-style-type: none"> <li>(i) the name of the lessee or licensee;</li> <li>(ii) the term of the lease or licence (including information on the term of any extension or renewal stated in the lease or licence);</li> <li>(iii) the actual land to which the lease or licence relates (which may be identified by a plan kept in conjunction with the register);</li> <li>(iv) the purpose for which the lease or licence has been granted.<sup>1</sup></li> </ul> </li> </ul> <p>and</p> <ul style="list-style-type: none"> <li>(b) copies of current management plans; and</li> <li>(c) may consist (if the council so decides) of a computer record of the relevant information.</li> </ul>	As above	Compliant	Sighted online

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<b>Ownership of public roads</b>	208(4)	The Council has published a copy of a resolution declaring a road or land to be a public road in the Gazette		Compliant	Council has not exercised this power in at least 20 years
<b>Conversion of Private to Public Road</b>	210(2)	At least three months before declaring that a private road is a public road, the Council has acted in accordance with this section	Where Council has exercised its power to convert a private road to a public road the following: 43.1 a copy of the required notice to the owner of the private road regarding the proposed declaration or any public notice published in the newspaper in respect to the declaration; and  43.2 a copy of the gazetted notice of the declaration	Compliant	Sighted article - ACC2024/34381
<b>Special provisions for certain kinds of roadwork</b>	215(1)	The Council has acted in accordance with this section when changing the level of a road		Compliant	Evidence provided by team 11/04/2024
<b>Power to assign a name, or change the name, of a road or public place</b>	219(1a) & (4)	The Council has assigned a name to a public road created after land division, and given public notice	Copy of reports/minutes	Compliant	Council has not exercised this power in at least 20 years
	219(2) & (3)	If the council proposes to change the name of a public road running into the area of an adjoining Council, the Council has given two months' notice of the proposed change, considered representations made by the adjoining council and immediately notified the Registrar-Council, Surveyor-General and the Valuer-General of the assignment of a name or name change		Compliant	Council has not exercised this power in at least 20 years
	219(5) & (7)	Council has prepared and adopted a policy relating to the assigning of names under this section and a notice of adoption or alteration to the policy has been published on the website	44.2 A copy of the Council's policy regarding the assigning of names to roads and public places	Compliant	Policy sighted - ACC2024/34388 In the process of being rewritten - should be completed by April 2024



<b>Numbering of premises and allotments</b>	220(1a) & (1b)	The council has assigned a number to all buildings or allotments adjoining public roads created by land division within 30 days after the issue of certificate of title		Compliant	Sighted a copy of a letter for 26 Hurtle Square assigning street/unit numbers November 2021
<b>Public consultation</b>	223(1) & (2)	Before granting the authorisation or permit to use a public road for business purposes, the Council has followed the public consultation policy and given written notices to agencies prescribed by the regulations (Local Government (General) Regulations 2013, Reg 25)		Compliant	Council has not exercised this power in at least 20 years
<b>Cancellation of authorisation or permit</b>	225(2)(a)	Before cancelling an authorisation or permit to alter public road the council has given written notice to the holder of the authorisation or permit and consider any representations made in response to the notice		Compliant	Procedure documented for team to use in instances of non compliance and example of when non compliance goes to expiation. Documented sighted.
<b>Register</b>	231(1)	Council has a register of public roads in its area	An extract from the Council's register of public roads for at least 5 roads	Compliant	Sighted extracts from register
	231(2)	The register contains the information required by this subsection	As above	Compliant	Sighted extracts from register ACC2024/34409 ACC2024/34411 ACC2024/34412 ACC2024/34415 ACC2024/34419
<b>Trees</b>	232	Before a council plants vegetation, or authorises or permits the planting of vegetation, on a road, the council must (in addition to complying with any other statutory requirement)—	Copy of Council's tree/vegetation management policy	Compliant	Asset management plan - Park Lands and Open Space
<b>Council's power to remove objects etc from roads</b>	234A(1), (3) & (6)	Council's decisions to close a road have been made by an absolute majority of the council; resolutions only operate to close the road for 30 days or less in a year; and the resolution did not take effect before it had met the procedures set out in subsection (6)	Evidence of permit to close a road	Compliant	Road closure permit issued has been sighted

<p><b>Removal of vehicles</b></p>	<p>237</p>	<p>If a vehicle has been left on a public road or place, or on local government land for at least 24 hours, an authorised person may place a prescribed warning notice on the vehicle.                  (2) After 24 hours has expired since the placement of a prescribed warning notice, an authorised person may have the vehicle removed to an appropriate place.</p>	<p>48.1 Copy of any Council policy or procedure regarding the removal of vehicles under section 237 of the Act</p> <p>48.2 Where the Council has exercised powers to remove a vehicle under section 237, copies of the following:                  - the towing warning notice;                  - the notice to the owner of the vehicle advising that it has been moved, or notice published in the newspaper advising same; and                  - details of how the vehicle was disposed of.</p>	<p>Compliant</p>	<p>ACC2023/49176 - SOP for Parking and Information Officer Regulatory Services - Updated 28 October 2022</p> <p>The last two dot points are completed by the Customer Centre Towed and Abandoned Vehicles (sharepoint.com)                  Towed Vehicle Process (sharepoint.com)</p> <p>Report an Illegally Parked or Abandoned Vehicle (sharepoint.com)</p> <p>Attached Images;</p> <p>Image                  Image (1)                  The two green slips are the notice we place on the vehicle prior to removal</p> <p>Image (2)                  The green paperwork is our paperwork.</p> <p>Image (3)                  The pink copy goes to SAPOL. We send that.</p>
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	246-253	<p>a council may make by-laws—</p> <p>(a) that are within the contemplation of this or another Act; or</p> <p>(b) that relate to a matter in relation to which the making of by-laws is authorised by the regulations under this or another Act.</p>	<p>By-laws</p> <p>49.1 the Council’s register of By-laws</p> <p>49.2 the public notice published in the paper inviting submissions in relation to the proposed by-laws</p> <p>49.3 the minutes and report regarding the adoption of Council’s by-laws including the report that addresses the bylaws impact upon National Competition Policy and the certificates of Validity signed by a legal practitioner</p> <p>49.4 the gazette notice advising of the adoption of the By-laws and of the related notice published in the local paper</p> <p>49.5 a gazette notice advising of any Council resolution regarding the areas to which provisions of a by-law apply and the related notice published in the local paper</p>	<p>Compliant</p>	<p>By-laws</p> <p>49.1 the Council’s register of By-laws 2018/02876: HEALTH MANAGEMENT - REGULATING - 2017 / 2018 City of Adelaide By-Law Review</p> <p>Sighted - City of Adelaide By-laws   City of Adelaide</p> <p>49.2 the public notice published in the paper inviting submissions in relation to the proposed by-laws</p> <p>ACC2018/120156 - public consultation doc</p> <p>Sighted - Legislated By-Law Review 2018   Your Say Adelaide (cityofadelaide.com.au)</p> <p>I was unable to locate a copy of a public notice in the paper, but I found the above document.</p> <p>49.3 the minutes and report regarding the adoption of Council’s by-laws including the report that addresses the bylaws impact upon National Competition Policy and the certificates of Validity signed by a legal practitioner</p> <p>ACC2019/140640 - Report - Item 8.4 - Legislated By-Law Review - Council - 14 August 2018</p> <p>ACC2019/140643 - 2018_08_14 Council Minutes By-Laws Approval</p> <p>49.4 the gazette notice advising of the adoption of the By-laws and of the</p>
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					<p>related notice published in the local paper</p> <p>ACC2019/140294 - Government Gazette City of Adelaide By-Laws Implementation</p> <p>ACC2019/140646 - CST18-038 CoA By-Laws Notice in City Messenger Newspaper</p> <p>49.5 a gazette notice advising of any Council resolution regarding the areas to which provisions of a by-law apply and the related notice published in the local paper</p>
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## Legislative Compliance Review

<b>Register of by-laws and certified copies</b>	252(1)	Council has a register of all by-laws made or adopted by the Council	Evidence of this register	Compliant	2018/02876: HEALTH MANAGEMENT - REGULATING - 2017 / 2018 City of Adelaide By-Law Review  Sighted - City of Adelaide By-laws   City of Adelaide
	252(2)	The register includes copy of any code, standard or other document referred to or incorporated in a by-law	As above	Compliant	As above
<b>Power to Make Orders</b>	254-255	A council may order a person to do or to refrain from doing a thing specified in Column 1 of the following table if in the opinion of the council the circumstances specified opposite it in Column 2 of the table exist and the person comes within the description opposite it in Column 3 of the table.	A file relating to the issue of an Order under section 254 including a copy of the order and notice of intention	Compliant	ACC2016/108254: Maxcon Construction - ORDER - SECTION 254 OF THE LOCAL GOVERNMENT ACT 1999
<b>Councils to develop policies</b>	259(1)	Council has taken reasonable steps to prepare and adopt policies concerning the operation of Chapter 12, Part 2	The Council's order making policy	Compliant	The City of Adelaide "Order Making Policy" is available on the City of Adelaide website at policy-order-making.pdf (d31atr86jnqrq2.cloudfront.net) - Sighted document
<b>Appointment of authorised persons</b>	260(3)	Council has issued identify cards to all authorised persons in accordance with this subsection	52.1 Copy of an instrument of appointment of an authorised person and ID card  52.2 Details of training provided to authorised persons	Compliant	ID cards are issued, the authorisations are sent to the business team who organise with security Training is performed by business team and authorised by AD
<b>Powers under this Act</b>	261	An authorised person may— (a) after giving reasonable notice to the owner or occupier of land, enter land— 31.3.2016—Local Government Act 1999 Regulatory functions—Chapter 12 Authorised persons—Part 3 [1.3.2017] This version is not published under the Legislation Revision and Publication Act 2002 13 (i) for a purpose related to the operation, administration or enforcement of this or another	As above	Compliant	The form details what the authorisation is and the sign off of the qualifications in order to have these authorisations

		Act by the council (including to ascertain whether an order should be made or other action taken by the council under this or another Act);			
<b>Procedures for review of decisions and request for services</b>	270(a1), (a2), (1), (2), (4a)	Council has developed and maintained policies, practices and procedures as required by these subsections	53.1 Council’s policy for internal review of decisions under section 270  53.2 Details of practices or procedures for dealing with reasonable requests for services and complaints handling procedure and a copy of any related policy and a copy of any other complaint handling policies/procedures adopted by the Council	Compliant	Sighted Corporate Complaint Handling Operating Guidelines on external CoA website
	270(8)	Council considers a report on an annual basis in accordance with this subsection	As above	Compliant	Sighted in the Annual Report (p23)
<b>Public health emergency</b>	302B	Council has a member of staff designated as a responsible officer in accordance with this section	Evidence of a designated person	Compliant	Security & Emergency Management Coordinator / Council Commanders



**City of Adelaide Act 1998**

Description	Section of Act	Requirement of the Act	Testing Methodology	Results	Findings
<p><b>Reimbursement of Expenses</b></p>	<p>Sec 25</p>	<p>A member of the council is entitled to receive reimbursement of prescribed expenses while discharging or performing their official functions and duties. Reimbursement of expenses must be approved by the Council (either specifically or under a policy) A policy under subsection (1)(b) lapses at a general election of the Council</p>	<p>Select sample of expenses - have they been reimbursed in accordance with regulations and policy. Has the policy being used been endorsed since the last general election.</p>	<p>Compliant</p>	<p>Council Member Allowances and Benefits Policy (ACC2023/151032) has been approved and childcare invoice from Cheyanne Lewis sighted and paid in accordance with approved policy</p>

<p><b>Provision of Facilities and Support</b></p>	<p>Sec 26</p>	<p>The Council may provide facilities and other forms of support to its members to assist the members in performing or discharging official functions and duties.</p> <p>The provision of facilities and services under this section is at the discretion of the Council subject to complying with the following requirements:</p> <ul style="list-style-type: none"> <li>(a) the Council must specifically resolve that the provision of the facilities or services is necessary or expedient to the performance or discharge of official functions or duties;</li> <li>(b) facilities and services must be available to members on a uniform basis (other than facilities or services specifically provided for the benefit of the Lord Mayor);</li> <li>(c) any property provided to a member remains the Council's.</li> </ul> <p>(3) A member of the Council must not use a facility or service provided by the Council under this section for a purpose unrelated to the performance or discharge of official functions or duties (unless the use has been approved by the</p>	<p>Check Council Member Allowances and Benefits Policy for details on what facilities and services are available to Council Members.</p> <p>Did the Council specifically resolve that the provision is necessary or expedient to the performance of official duties. Are the facilities and services available on a uniform basis.</p>	<p>Compliant</p>	<p>Council Member Allowances and Benefits Policy (ACC2023/151032)</p>
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		Council and the member has agreed to reimburse the Council for any additional costs or expenses associated with this use).			
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<b>Strategic Plans</b>	30	The Council should take reasonable steps to undertake, or to participate in, strategic planning for its area, and the State more generally (so far as is relevant to the City of Adelaide).	Council's Strategic Plan	Compliant	Strategic Plan for 2024-2028 is now on the website (cannot attach link)
<b>Financial Reporting</b>	34	The Adelaide City Council must include in its financial statements under Chapter 8 Part 3 Division 3 of the Local Government Act 1999 for each financial year specific information that shows its expenditure, in actual terms and as a percentage of the total expenditure of the Council, in relation to—(a) the Council's commitments under the Capital City Development Program; and(b) works, services and activities that are directly related to the Council's economic development program for the City of Adelaide.The Council must include in its annual report specific information on the relationship between its annual business plan, general revenue raising policies and expenditure policies.	3.1 Copy of the 2022/2023 financial statements;3.2 Copy of the 2022/2023 annual report.	Compliant	Annual report and Audited financial statements for 2022/2023 are on the City of Adelaide website (cannot attach link)

Legislative Compliance Review

<p><b>Rundle Mall</b></p>	<p>37A</p>	<p>(2) A person must not— (a) drive a vehicle on any part of the Mall; or (b) allow a vehicle to be or remain on any part of the Mall, otherwise than in accordance with a notice or permit published or given by the Council.</p>	<p>4.1 Copy of an expiation notice issued under this section</p> <p>4.2 Gazettal notice specifying the vehicles that may enter or remain in Rundle Mall</p> <p>4.3 Notice permitting a vehicle to enter and remain in the Mall outlining the purpose, period and conditions (if any)</p>	<p>Compliant</p>	<p>Sighted permit for vehicles entering/remaining on the Mall No expiations issued in current financial year Gazette notice 6 May 2021 - sighted</p>
<p><b>Enrolment</b></p>	<p>sch 1 part 2 clause 2</p>	<p>Subject to this Schedule1— (a) a natural person of or above the age of majority is entitled to be enrolled on the voters roll for an area or ward if that person— (i) is enrolled as an elector for the House of Assembly in respect of a place of residence within the area or ward;</p>	<p>5.1 Council’s application for enrolment on the Voter’s Roll</p> <p>5.2 Copy of an application for enrolment for the 2022 elections by a person eligible to vote and the corresponding extract in the Voter’s Roll evidencing enrolment occurred</p>	<p>Compliant</p>	<p>Sighted Forms 1, 2 and 3 on public website Enrol to vote in the council elections   City of Adelaide - link provided in email</p>
<p><b>The Voters Roll</b></p>	<p>sch 1 part 2 clause 3</p>	<p>The voters roll must set out: the full name of the person, body corporate, or group if person, the residential address the address of the rateable property for entitlement at the option of the person, an additional address for voting papers (application in manner and form determined by CEO)</p>	<p>6.1 Extract of the Voter’s Roll for a person, body corporate and group</p> <p>Details of procedure for nominating address for service of ballot papers</p> <p>6.2 Details of procedure for suppression of information from the Voter’s Roll</p>	<p>Compliant</p>	<p>Sighted enrolment forms for each of individual, body corporate and group. Details in folder VS2023/06773 Details of suppressions process with ECSA. Ballot papers sent to building/residential address</p>

		any prescribed particulars ward entitlements			
<b>Returns for Candidates</b>	Schedule 1 Part 8 Division 2 Clause 23 & 24	A person who is a candidate for election to an office of the Adelaide City Council must, within 30 days after the conclusion of the election, furnish to the chief executive officer of the Council, in accordance with the requirements of this Part— a campaign donations return under this division and a campaign expenditure return under this division.	Copies of campaign donations & expenses returns for candidates in the 2018 general election	Compliant	The campaign donations & expenses returns was sent to the ECSA not CoA.
	Schedule 1 Part 8 Division 2 Clause 30	If a candidate fails to submit returns, the CEO must notify the person by registered mail	Did candidate fail to submit return. Was notification of failure sent, and by registered post	Compliant	As above



## APPENDIX 2: RISK MATRIX OF INTERNAL AUDIT FINDINGS

The following framework for the internal audit ratings is consistent with the CoA Risk Management Operating Guidelines and the Risk Management International Standard ISO31000:2018. The descriptions have been tailored to illustrate risk to the business operations.

### 6.1 CoA Risk Matrix

CoA Risk Matrix		CONSEQUENCE				
		Insignificant	Minor	Moderate	Major	Catastrophic
LIKELIHOOD	Almost Certain	Medium	High	Extreme	Extreme	Extreme
	Likely	Medium	High	High	Extreme	Extreme
	Possible	Low	Medium	High	High	Extreme
	Unlikely	Low	Low	Medium	Medium	High
	Rare	Low	Low	Low	Medium	Medium

## 8.3 Risk &amp; Finding Descriptions

Rating	Definition	Action	Indicative Timeframe (variations to be agreed by SRIA)
<b>Extreme</b>	<p>The finding represents a control weakness which could have or is having an extreme adverse impact on the business and the ability to meet objectives.</p> <ul style="list-style-type: none"> <li>• Extreme decline in quality and customer service leading to a decrease in community's confidence in Council</li> <li>• Extreme breakdown in process that leads to illegal activity</li> <li>• Breach of legislation or contractual non-compliance that will result in litigation, prosecution and/or penalty</li> </ul>	<p>Finding reported to Director immediately and response plan developed with appropriate Associate Director. Implementation updates and status reporting managed through Promapp.</p>	<p>Actions managed in Promapp with a timeframe of no more than 3 months for completion.</p>
<b>High</b>	<p>The finding represents a control weakness which could have or is having a high adverse impact on the business and the ability to meet objectives.</p> <ul style="list-style-type: none"> <li>• Major decline in quality and customer services leading to a decrease in community's confidence in Council</li> <li>• Serious breakdown in process that may lead to increased and unacceptable risk</li> <li>• Breach of legislation or contractual non-compliance that will result in litigation, prosecution and/or penalty</li> </ul>	<p>Finding reported to the appropriate Associate Director immediately and response plan developed with appropriate Manager. Managed through Promapp.</p>	<p>Actions managed in Promapp with a timeframe of no more than 6 months for completion.</p>
<b>Medium</b>	<p>The finding represents a control weakness which could have or is having a medium adverse impact on the business and the ability to meet objectives.</p> <ul style="list-style-type: none"> <li>• Medium decline in quality and customer services leading to a decrease in community's confidence in Council</li> <li>• Medium operational breakdown in process that may lead to increased and unacceptable risk</li> <li>• Minor breach of legislation or contractual non-compliance that will <u>not likely</u> result in litigation, prosecution and/or penalty</li> </ul>	<p>Finding reported to appropriate Manager through Internal Audit Report and managed through Promapp.</p>	<p>Actions managed in Promapp with a timeframe of no more than 9 months for completion.</p>
<b>Low</b>	<p>The finding represents a minor control weakness which could have or is having a low/ minimal but reportable adverse impact on the business and the ability to meet process objectives.</p> <ul style="list-style-type: none"> <li>• Minimal decline in quality and customer services</li> <li>• Minor breakdown in process that is not likely to affect risk</li> <li>• Minor breach of legislation or contractual non-compliance that will <u>not likely</u> result in litigation, prosecution and/or penalty</li> </ul>	<p>Finding reported to appropriate Manager through Internal Audit Report and managed through Promapp.</p>	<p>Actions managed in Promapp with a timeframe of no more than 12 months for completion.</p>

## AEDA Review Implementation Update Report

Friday, 14 June 2024

Audit and Risk Committee

Strategic Alignment - Our Corporation

Public

**Program Contact:**

Greg Ratsch, General Manager  
Adelaide Economic Development  
Agency

**Approving Officer:**

Anthony Spartalis, Acting Chief  
Operating Officer

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## EXECUTIVE SUMMARY

This report details the progress made in implementing the Adelaide Economic Development Agency (AEDA) Review Recommendations.

At its meeting on 24 October 2023, Council endorsed the AEDA Review Implementation Plan (the Plan) which outlines how each recommendation from the Deloitte and KPMG reviews of AEDA will be addressed. As part of that resolution, Administration committed to providing implementation update reports to Council in March 2024 and July 2024.

This report outlines the progress made from mid-February to mid-May 2024 in implementing the Adelaide Economic Development Agency (AEDA) Review Recommendations, with 25 out of the 36 actionable recommendations completed and the remaining 11 actions in progress.

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## RECOMMENDATION

THAT THE AUDIT AND RISK COMMITTEE

1. Notes the progress made to date on the AEDA Review Implementation Plan as outlined in Attachment A to Item 6.4 on the Agenda for the meeting of the Audit and Risk Committee held on 14 June 2024.
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## IMPLICATIONS AND FINANCIALS

City of Adelaide 2024-2028 Strategic Plan	Strategic Alignment - Our Corporation Strategic Alignment - Our Economy
Policy	Not as a result of this report
Consultation	Council and the AEDA Board discussed a range of matters on 30 January 2024 in a workshop that focused on recommendations that were strategic in nature.
Resource	Not as a result of this report
Risk / Legal / Legislative	Not as a result of this report
Opportunities	Not as a result of this report
23/24 Budget Allocation	Not as a result of this report
Proposed 24/25 Budget Allocation	Not as a result of this report
Life of Project, Service, Initiative or (Expectancy of) Asset	Not as a result of this report
23/24 Budget Reconsideration (if applicable)	Not as a result of this report
Ongoing Costs (eg maintenance cost)	Not as a result of this report
Other Funding Sources	Not as a result of this report



# DISCUSSION

## Background

1. The AEDA Review Implementation Plan (the Plan) was endorsed by Council at its 24 October 2023 meeting. As part of that resolution, the Administration committed to providing implementation update reports to Council in March 2024 and July 2024.
2. In line with this commitment, progress on the implementation of the review recommendations was reported to the Audit and Risk Committee on 16 February 2024 and to Council on 26 March 2024.
3. This report outlines the progress made from mid-February 2024 to mid-May 2024 in implementing the AEDA Review Recommendations and will be presented to the City Finance and Governance Committee on 16 July 2024, and Council on 23 July 2024.

## AEDA Implementation Plan Update

4. **Attachment A** updates the status of the recommendations in the AEDA Review Implementation Plan.
5. Of the 36 actionable recommendations, 25 have been completed since Council endorsed the AEDA Review Implementation Plan on 24 October 2023. 14 actionable recommendations have been completed since the last report to the Audit and Risk Committee on 16 February 2024.
  - 5.1. The 14 recommendations which have been completed since the 16 February 2024 report are:
    - 5.1.1. **Action 3** - Develop streamlined and structured approval between the Board and City of Adelaide (CoA); and Review and simplify Executive reporting structures between AEDA and CoA
    - 5.1.2. **Action 4** - Better employ operational AEDA KPIs, measured against appropriate baselines (including more rigorous project, financial and timeline variation reporting)
    - 5.1.3. **Action 4c** - Define risk-based requirements for justifying key grant, sponsorship and campaign financing decisions (systematising risk-assessment of funding decisions)
    - 5.1.4. **Action 5a** - Establish clear terms of reference for cross-over business units (eg. marketing, grant administration functions within CoA)
    - 5.1.5. **Action 5e** - Review marketing and event management services panel contracts to meet both AEDA and CoA business needs
    - 5.1.6. **Action 6** - Develop a brand guideline, in collaboration with CoA
    - 5.1.7. **Action 6a** - Maintain AEDA brand independence (to drive increased engagement and participation with external stakeholders)
    - 5.1.8. **Action 7a** - Review, expand, and strengthen alliances with key strategic partners
    - 5.1.9. **Action 7b** - Ensure more active, timely engagement with traders in developing AEDA's events and campaign program
    - 5.1.10. **Action 7c** - Increase stakeholder access to baseline demographic and economic metrics (to better support their investment and commercial decisions)
    - 5.1.11. **Action 8** - Review and enhance AEDA's capability to provide strategic economic insights for the city
    - 5.1.12. **Action 8a** - Expand the AEDA Data and Insights function from one staff member to a team
    - 5.1.13. **Action 9a** - Review effectiveness of outsourced small business service functions to support new and emerging businesses, to inform future operating and contracting models
    - 5.1.14. **Action 9d** - Revisit the original plan and approach for the new Experience Adelaide Visitor Centre.
  - 5.2. Further information on these recommendations can be found in the updated AEDA Review Implementation Plan (**Attachment A**) while key activity since mid-February is summarised below.
6. In response to **Action 4** and **Action 7b**, a project/ campaign brief template was implemented in AEDA to ensure consistency across the Agency in developing projects and campaigns, and approaches to internal and external stakeholder engagement. The status of these briefs is reported monthly at AEDA Executive meetings and identifies potential or impending budget or project variations.
7. Further to **Action 9d**, at its 23 April 2024 meeting Council considered a revised model for the Experience Adelaide Visitor Centre and endorsed the proposed approach of a Council-supported-not-for-profit model.
8. **Action 6** and **Action 6a** were completed by finalising the City of Adelaide Brand Architecture project.

- 8.1. The project reviewed all City of Adelaide’s brands, sub-brands and business brands (i.e. ACMA, UPark, AEDA etc) to improve customer visibility of the services CoA provides or supports, enable clear communication with customers, and ensuring the City of Adelaide and subsidiaries including AEDA are considered “easy to do with business with”.
- 8.2. AEDA was consulted on AEDA brand positioning to strengthen the relationship between the CoA and AEDA brands, while also maintaining AEDA’s brand independence.
- 8.3. On 9 April 2024, the AEDA Board endorsed the final draft of the CoA Brand Architecture Project which enables AEDA to proceed as an ‘endorsed’ brand of the City of Adelaide, while allowing AEDA to maintain brand independence.

#### Anticipated action completion

9. In response to **Action 5c** and the combined **Action 5d / 7d** a review commissioned by the City of Adelaide on Council’s placemaking and local economic activation (including subsidiary activities, Mainstreets, Precincts etc.) is in progress. The Acting Chief Executive Officer has approved a completion date extension from 31 May 2024 to 31 October 2024 in line with completion of the independent review.
10. To finalise **Action 4b** the Chair of the Audit and Risk Committee is being briefed on how the measures introduced consequent to the AEDA Review map to the Audit and Risk Committee Terms of Reference. The Acting Chief Operating Officer has arranged to meet with the ARC Chair to deliver this briefing. The Acting Chief Executive Officer has approved a completion date extension from 31 May 2024 to 31 August 2024 to accommodate this meeting.
11. Council endorsed the draft City of Adelaide Economic Development Strategy for public consultation, which closed on 31 May 2024. In response AEDA has resumed development of its Strategic Plan including consideration of the Economic Development Strategy. An AEDA Board Strategic Planning workshop is scheduled for June 2024 which will inform the first draft of the Strategic Plan. This will allow finalisation of **Actions 2 – 2d** of the AEDA Review Implementation Plan.
12. Further information, including completion notes and progress updates, on these recommendations can be found in the AEDA Review Implementation Plan (**Attachment A**)
13. This report will be presented to the City Finance and Governance Committee on 16 July 2024 and Council on 23 July 2024.

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## DATA AND SUPPORTING INFORMATION

Nil

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## ATTACHMENTS

**Attachment A** – AEDA Review Implementation Plan

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- END OF REPORT -

Action no.	Recommendation	Review	Rec. No.	Responsibility	Update	Expected completion date	Priority rating	Lead officer
<b>1</b>	<b>Economic Development Strategy / Policy</b>							
1	* Develop an overarching CoA Economic Development Strategy (which would underpin AEDA priorities, targets, measures and deliverables) * Develop City Economic Development policy	Deloitte KPMG	D5 K1	CoA	On 26 March 2024, Council endorsed the draft EDS for public consultation. Public consultation is currently open until 31 May 2024.  A summary of the public consultation will be presented to the City Planning, Development and Business Affairs Committee of Council in June 2024.	June-24	Immediate	Director, City Shaping
a	Develop further CoA strategies to indirectly drive economic growth (eg. strategies for residential population growth, housing)	Deloitte	D6	CoA	In February 2023, Council requested a housing strategy to replace the Homelessness, Social Housing and Housing Affordability Policy 2022-2025 endorsed in May 2022 reflecting an increased Council role in the housing sector and its ambition to grow the city's population to 50,000 by 2036.  In December 2023, Council endorsed the Strategic Plan 2024-2028 which includes an Outcome to 'Drive affordable, safe and quality housing outcomes that attract and retain residents in our city', and targets from the draft Housing Strategy. <ul style="list-style-type: none"> <li>Public consultation on the draft Housing Strategy was open for 8 weeks from 23 November 2023 until 25 January 2024.</li> <li>On 6 February 2024, the consultation summary and Housing Strategy was presented to CCSC Committee.</li> <li>The City of Adelaide Housing was endorsed by Council on Tuesday 13 February 2024.</li> </ul> The draft Integrated Climate Strategy 2030 has been developed in response to, and is also informed by, a series of Council decisions and strategic directions that have occurred through 2022 and 2023, including strategic priorities set out in Council's Strategic Plan 2024-2028. <ul style="list-style-type: none"> <li>The draft Integrated Climate Strategy 2030 was endorsed by Council for public consultation on 12 December 2023.</li> <li>Public consultation on the draft Integrated Climate Strategy 2030 was open from 5 February 2024 to 18 March 2024.</li> <li>A report is currently being prepared for the City Planning, Development and Business Affairs Committee of Council in June 2024.</li> </ul>	June-24	Immediate	Director, City Shaping
<b>2</b>	<b>AEDA Strategic Plan</b>							
2	Develop the AEDA Strategic Plan	KPMG	K2	AEDA	Following Council's endorsement of the draft City of Adelaide Economic Development Strategy, public consultation was opened on 23 April 2023. AEDA has now resumed the development of the AEDA Strategic Plan. A workshop with the AEDA Board is currently being scheduled for June 2024 that will inform the first draft of the Strategic Plan.	August-24	High	General Manager, AEDA

a	Better target strategic AEDA KPIs towards economic development outcomes	Deloitte	D15	AEDA	Indicators will flow from developing work on the EDS and incorporated within AEDA's Strategic Plan where relevant to do so.  Following Council's endorsement of the draft City of Adelaide Economic Development Strategy, public consultation was opened on 23 April 2023. AEDA has now resumed the development of the AEDA Strategic Plan. A workshop with the AEDA Board is currently being scheduled for June 2024 that will inform the first draft of the Strategic Plan.	August-24	High	General Manager, AEDA
b	Develop the AEDA Long Term Financial Plan	KPMG	K3	AEDA	Discrete component of the AEDA Strategic Plan and developed in parallel.  Following Council's endorsement of the draft City of Adelaide Economic Development Strategy, public consultation was opened on 23 April 2023. AEDA has now resumed the development of the AEDA Strategic Plan. A workshop with the AEDA Board is currently being scheduled for June 2024 that will inform the first draft of the Strategic Plan.	August-24	High	General Manager, AEDA
c	* Diversify economic development activation activities (beyond current retail focus) * Investigate additional investment opportunities (for funding from other bodies and government to deliver more, and more diverse, economic growth services)	Deloitte KPMG	D8 K11	AEDA	Priorities and opportunities will come out of the development of the AEDA Strategic Plan and Long-Term Financial Plan.  Following Council's endorsement of the draft City of Adelaide Economic Development Strategy, public consultation was opened on 23 April 2023. AEDA has now resumed the development of the AEDA Strategic Plan. A workshop with the AEDA Board is currently being scheduled for June 2024 that will inform the first draft of the Strategic Plan.	August-24	High	General Manager, AEDA
d	Conduct a review of current AEDA resourcing and requirements	KPMG	K6	AEDA	AEDA's Strategic Plan will determine AEDA's priorities and therefore inform resourcing requirements.  Following Council's endorsement of the draft City of Adelaide Economic Development Strategy, public consultation was opened on 23 April 2023. AEDA has now resumed the development of the AEDA Strategic Plan. A workshop with the AEDA Board is currently being scheduled for June 2024 that will inform the first draft of the Strategic Plan.	August-24	High	General Manager, AEDA
<b>3</b>	<b>AEDA - Council decision making and reporting</b>							
3	* Develop streamlined and structured approval between the Board and the CoA  * Review and simplify Executive reporting structures between AEDA and the CoA	KPMG  Deloitte	K17  D3	Both	An extension was granted by the CEO for this action as it was scheduled for further discussion at the 30 January 2024 workshop.  The draft funding policy provides greater clarity around approvals and funding delegations.  The draft funding policy has since been endorsed by the Council at its 13 February 2024 meeting for public consultation.  A structural change within the City of Adelaide has occurred post AEDA Reviews with the AEDA General Manager now reporting into the Chief Operating Officer of Corporate Services. This ensures consistency amongst the subsidiaries of the City of Adelaide and provides greater clarity on direct reporting lines.  These actions have now been completed.	Completed  Completed	High	Chief Operating Officer General Manager, AEDA  Chief Operating Officer General Manager, AEDA
a	AEDA General Manager and/or Board Chair to be invited to present the quarterly progress report to the City Finance and Governance Committee	KPMG	K12	CoA	The AEDA Chair and General Manager now have a standing invitation to present the quarterly progress report to the City Finance and Governance Committee  This action is completed.	Completed	Immediate	Chief Executive Officer
b	Lord Mayor to share insights regarding AEDA Board discussions with Councillors and encourage attendance at Board meetings	KPMG	K13	CoA	A discussion was had with the Lord Mayor who expressed her preference for an e-news to go out post AEDA Board meeting highlighting key items.  AEDA are responsible for writing and distributing the e-news.  This action is completed.	Completed	Immediate	Lord Mayor

c	Ensure more targeted AEDA reporting to Council (relevant and aligned to economic activities and with sufficient evidence support)	Deloitte	D13	Both	<p>AEDA reviewed the information provided in its quarterly reports to now include:</p> <ul style="list-style-type: none"> <li>• Reporting against its projected budget for that quarter</li> <li>• Any upcoming risks and opportunities. These risks could be project or operational based.</li> <li>• Item that has been delivered within that quarter and relevant results from those activities.</li> </ul> <p>In addition to this, the City of Adelaide is currently reviewing how the corporate quarterly reports are structured. Any changes relevant to AEDA for improvement of the quarterly reports will be adopted.</p> <p>The development of AEDA's Strategic Plan will also ensure more targeted reporting that is aligned to economic activities.</p> <p>This action is completed</p>	Completed	Medium	Chief Operating Officer General Manager, AEDA
<b>4</b>	<b>AEDA Governance performance and accountability</b>							
4	Better employ operational AEDA KPIs, measured against appropriate baselines (including more rigorous project, financial and timeline variation reporting)	Deloitte	D16	Both	<p>A project brief template has been developed by the AEDA Executive team and implemented via an AEDA all staff meeting held on 14 March 2024. This template aims to ensure consistency in the development and reporting of projects within AEDA.</p> <p>The status of these briefs will be reported monthly at the AEDA Executive meeting as a formal mechanism for reporting any potential or impending budget or project variations.</p> <p>This action is completed.</p>	Completed	Medium	Chief Operating Officer General Manager, AEDA
a	Ensure CoA Governance has greater oversight at initial stages of key AEDA operational processes	Deloitte	D11	CoA	<p>An internal workshop between AEDA staff and Corporate Governance staff occurred on 7 December 2023 and confirmed AEDA is included in CoA assurance review processes, testing controls, and audits and policy reviews. These encompass grant funding, procurement processes, and risk assessments for staged events, per the Deloitte recommendation. Additionally, in Q3 2023/4 Corporate Governance will develop a compliance register for AEDA against the Charter and Schedule 2 of the Local Government Act. This will be an additional assurance mechanism, and also help clarify decision-making responsibilities between the AEDA Board and Council, as recommended in the KPMG review.</p> <p>This action is completed</p>	Completed	Low	Chief Operating Officer
b	Clearly define risk and mitigation strategies required by the Audit and Risk Committee	Deloitte	D14	CoA	<p>The Deloitte review observed that AEDA reporting is focused on event outcomes and not necessarily on AEDA's strategic / operational /business risk profiles and mitigation strategies, or assurance and control processes.</p> <p>AEDA quarterly reporting was also reviewed with Corporate Services following similar feedback from the Audit and Risk Committee in early 2023. Since Q1 2023/24 AEDA Quarterly reports now provide:</p> <ul style="list-style-type: none"> <li>• AEDA's financials for that quarter - to demonstrate if the subsidiary is tracking against the projected budget presented to Council via the Annual Business Plan and Budget process.</li> <li>• Identifying current risks and opportunities</li> <li>• Reporting against AEDA's BP&amp;B Key Performance Indicators.</li> </ul> <p>In addition to this, Corporate Governance is currently undertaking a review of Council's Strategic Risk Register which incorporates Council's subsidiaries.</p> <p>The Chair of the Audit and Risk Committee is being briefed on how the measures that have been introduced through this Review map back to the Audit and Risk Committee Terms of Reference. The Acting Chief Executive Officer has approved a completion date extension from 31 May 2024 to 31 August 2024 to accommodate this meeting.</p>	August -24	Medium	Chief Operating Officer

c	Define risk-based requirements for justifying key grant, sponsorship and campaign financing decisions (systematising risk-assessment of funding decisions)	Deloitte	D2	Both	<p>Deloitte recommended that CoA with AEDA should define requirements for how key financial decisions are to be justified (based on value /nature) and who is required to approve these decisions. For example, large grants / sponsorships to go through consistent business case and evaluation process.</p> <p>A similar finding was provided out of Council's internal audit process of all City of Adelaide (and subsidiary) grants/funding. Council's internal auditor, KPMG, recommended that the CoA consider streamlining approval processes for all CoA grant programs with consideration of the current Delegation of Authority. The finding also advised that there is an opportunity to streamline AEDA related grants to operate within the delegated authority of the AEDA Board where deemed appropriate.</p> <p>To enact these findings, a corporate wide funding policy was developed and endorsed by Council at its 13 February 2024 meeting for public consultation. The policy will ensure consistency in the administration of funds across Council and its subsidiaries and provide clarity around delegated authority for funding decision i.e. does it require a Council decision or does it fall under Director or Associate Director delegation?</p> <p>AEDA is also developing a project brief template that will require staff to undertake risk assessments of their proposed projects and campaigns to ensure a consistent decision-making process across the Agency.</p> <p>This action is now completed.</p>	Completed	Immediate	General Manager, AEDA Chief Operating Officer
d	Implement an ongoing assurance model for AEDA	Deloitte	D12	CoA	Corporate Governance are currently undertaking a strategic risk management review. The requirement for the City of Adelaide (and its subsidiaries) to have an assurance model will be determined by this review.	End of 2024	Low	General Manager, AEDA Chief Operating Officer
e	Undertake an internal audit on AEDA's administration of grant allocation	Deloitte	D12a	Both	<p>An audit of grant processes within Council, including AEDA, was undertaken by Council's internal auditor, KPMG, as part of Council's 2023-24 audit program.</p> <p>This action has now been completed.</p>	Completed	Medium	General Manager, AEDA Chief Operating Officer
f	Provide a detailed breakdown of budget allocation that aligns actions to progress and accountability.	KPMG	K15	AEDA	<p>In early 2023, CoA quarterly reporting (including that of subsidiaries) was reviewed with Corporate Services, and a new quarterly reporting format has been endorsed by ARC and CFG.</p> <p>Since Q1 2023/24 AEDA Quarterly reports now provide:</p> <ul style="list-style-type: none"> <li>AEDA's financials for that quarter - to demonstrate if the subsidiary is tracking against the projected budget presented to Council via the Annual Business Plan and Budget process.</li> <li>Identifying current risks and opportunities</li> <li>Reporting against AEDA's BP&amp;B Key Performance Indicators.</li> </ul> <p>This action has now been completed.</p>	Completed	High	General Manager, AEDA
<b>5</b>	<b>Clarify AEDA - CoA roles and responsibilities</b>							
a	Establish clear terms of reference for cross-over business units (eg. marketing, grant administration functions within CoA)	Deloitte	D9	Both	<p>A terms of reference between the City of Adelaide Marketing and AEDA Marketing team has now been formalized and shared amongst the teams.</p> <p>Grant administration will be guided by the draft funding policy that Council endorsed for public consultation at its 13 February 2024 meeting.</p> <p>This action is completed.</p>	Completed	Low	General Manager, AEDA Chief Operating Officer
b	Articulate and document AEDA and CoA marketing units respective roles, responsibilities and collaboration principles	Deloitte	D21	Both	<p>A terms of reference between the City of Adelaide Marketing and AEDA Marketing team has now been formalized and shared amongst the teams.</p> <p>This action is completed.</p>	Completed	High	General Manager, AEDA Chief Operating Officer

c	Investigate the options and benefits of merging the City Experience team into the AEDA model	KPMG	K8	CoA	<p>An outcome from the 30 January 2024 workshop between Council Members and the AEDA Board was to undertake an in-depth Review, led by the City of Adelaide and supported by AEDA, on how Council and its subsidiaries supports placemaking and local economic activation within the City of Adelaide (including Mainstreets, Precincts, Associations etc.) This Placemaking Review is in progress.</p> <p>An extension from 31 May 2024 to 31 October 2024 has been granted by the A/CEO reflecting expected completion of the Placemaking Review</p>	Oct-24	Medium	CEO/ COO/ MD AEDA
d	Explore moving Mainstreets, Precincts, and Place Co-ordinators to AEDA  <i>(Action combined with Action 7d)</i>	KPMG	K9	CoA	<p>An outcome from the 30 January 2024 workshop between Council Members and the AEDA Board was to undertake an in-depth review, led by the City of Adelaide and supported by AEDA, on how Council and its subsidiaries supports placemaking and local economic activation within the City of Adelaide (including Mainstreets, Precincts, Associations etc.). This Placemaking Review is in progress.</p> <p>An extension from 31 May 2024 to 31 October 2024 has been granted by the A/CEO reflecting expected completion of the Placemaking Review.</p>	Oct-24	Medium	CEO/ COO/ MD AEDA
e	Review marketing and event management services panel contracts to meet both AEDA and CoA business needs	Deloitte	D17	CoA	<p>An internal assessment of current marketing and event management service contracts (for contracts that form part of a panel or suite) confirmed that these contracts are being procured, communicated, and leveraged between AEDA and City of Adelaide Marketing business units in a manner that is compliant with the CoA Procurement Policy.</p> <p>For service contracts that relate to events, the AEDA Rundle Mall team and the CoA Events Team will communicate relevant procurement opportunities via the Events and Festivals Coordination Group (EFCG) (an internal cross portfolio working group). An example of this occurred recently with a tender Rundle Mall ran for a suite of agencies that could deliver event related services. Representatives from the CoA events team were notified of the successful agencies they could engage with by a Rundle Mall representative at an EFCG meeting in December 2023.</p> <p>CoA Procurement have confirmed that AEDA is following procurement processes and engaging with them when it comes to initiating or reviewing current Tenders.</p> <p>This action is completed.</p>	Completed	Low	General Manager, AEDA Chief Operating Officer
<b>6</b>	<b>AEDA branding</b>							
6	Develop a brand guideline, in collaboration with the CoA	KPMG	K18	Both	<p>City of Adelaide (CoA) Marketing presented to the AEDA Board a revised draft of the Brand Architecture project on 9 April 2024. The AEDA Board supported the proposed recommendation for AEDA to proceed as an endorsed brand of the City of Adelaide and for Rundle Mall to proceed as an individual brand.</p> <p>The CoA Marketing team have now prepared a final report on the Brand Architecture, having incorporated the preferences of the AEDA Board, which will be presented to the CoA Executive team.</p> <p>This action is now completed.</p>	Completed	High	General Manager, AEDA Chief Operating Officer
a	Maintain AEDA brand independence (to drive increased engagement and participation with external stakeholders)	Deloitte	D20	Both	<p>City of Adelaide Marketing presented to the AEDA Board a revised draft of the Brand Architecture project on 9 April 2024. The AEDA Board supported the proposed recommendation for AEDA to proceed as an endorsed brand of the City of Adelaide and for Rundle Mall to proceed as an individual brand.</p> <p>The CoA Marketing team have now prepared a final report on the Brand Architecture, having incorporated the preferences of the AEDA Board, which will be presented to the CoA Executive team.</p> <p>This action is now completed.</p>	Completed	High	General Manager, AEDA Chief Operating Officer

b	Ensure CoA is acknowledged as the key funding body for large events and campaigns	Deloitte	D7	AEDA	<p>This is already included in funding agreements with festival and event organisers, and other sponsorship recipients.</p> <p>This action is completed.</p>	Completed	Immediate	General Manager, AEDA
<b>7</b>	<b>Improved AEDA stakeholder engagement</b>							
a	Review, expand, and strengthen alliances with key strategic partners	KPMG	K10	AEDA	<p>AEDA currently has formalised partnerships with organisations such as Renew Adelaide, Festival City Adelaide, SouthStart, Business Events Adelaide, StudyAdelaide, The University of Adelaide/ThinLab and MTP Connect. These partnerships enable the Agency to efficiently deliver initiatives that increase economic activity within the city by leveraging off the industry specific partners.</p> <p>AEDA is also continuously engaging with organisations outside of formalised agreements to deliver mutually benefited outcomes for the City, such as the Property Council and Committee for Adelaide. Regular communication is maintained with various industry associations, including the Restaurant and Catering Association, Hotels Industry Association, Business SA, TiCSA, and others, to mutually support each other.</p> <p>In addition to these organisations, AEDA continues to work with Government Departments such as Department of Trade and Investment, Department of Premier and Cabinet, SA Small Business Commissioner and Department of Industry and Skills and their Office of Small and Family Business. Recent key activities have involved collaborative investor pitches; promoting opportunities to small business through the delivery of the State's Small Business Strategy and supporting the State of Mind Campaign to attract skills to the state.</p> <p>The AEDA Strategic Plan gives opportunity to articulate, systematise and formalise these relationships, and the Plan should reflect the AEDA approach to these relationships. However, the opportunity to strengthen alliances and partnership is ongoing and continues to happen.</p> <p>Existing resources are employed to support new and/or expand on existing strategic opportunities through a continued transparent merit-based allocation model, the AEDA Strategic Partnership Program, and other non- financial partnership opportunities.</p> <p>This action is completed.</p>	Completed	Medium	General Manager, AEDA
b	Ensure more active, timely engagement with traders in developing AEDA's events and campaign program	Deloitte	D18	AEDA	<p>A Project/Campaign Brief template has been developed and implemented by the AEDA Executive team to ensure there is a consistent approach across the Agency in the development of projects and campaigns within AEDA, which includes how internal and external stakeholders are engaged with over the course of that activity.</p> <p>AEDA engages with Rundle Mall stakeholders multiple times a month through a variety of forms ranging direct meetings with key stakeholders to the monthly report on relevant metrics (i.e. foot traffic, new traders etc), upcoming campaigns and the results of previous campaigns and promotions that is distributed to every Rundle Mall Stakeholder. Targeted engagement with property owners and traders is occurring regularly for pertinent updates (i.e. specific campaigns, activations and events). A broad Rundle Mall Stakeholder engagement session will occur in quarter 4 of 2023/2024.</p> <p>A survey was circulated in late 2023 to AEDA Stakeholders, which included Rundle Mall Stakeholders, for input into AEDA's 2024/2025 Business Plan and Budget.</p> <p>This action is completed.</p>	Completed	Low	General Manager, AEDA



c	Increase stakeholder access to baseline demographic and economic metrics (to better support their investment and commercial decisions)	Deloitte	D19	AEDA	<p>The Economic Dashboard was reviewed and updated in early 2023 to reflect relevant and recent economic data for city users and investors, with another update scheduled in 2024.</p> <p>As part of this update, AEDA is also planning to redesign the Data and Insights part of its website to enhance the promotion of available demographic and economic metrics data to stakeholders. The aim of this upgrade is to make it easier for the community to request specific data on demographics and economic information in a more user-friendly manner.</p> <p>Monthly reports on activity levels and the visitor economy are produced and distributed via the City Business and the City Tourism EDM's. Additional to this, the AEDA Business Summit and three industry briefings were held in 2023 for city stakeholders.</p> <p>This action is now completed.</p>	Completed	Low	General Manager, AEDA
d	Review AEDA's Mainstreet Precincts engagement model <i>(incorporates Action 5d)</i>	Deloitte	D10	AEDA	<p>An outcome from the 30 January 2024 workshop between Council Members and the AEDA Board was to undertake an in-depth review, led by the City of Adelaide and supported by AEDA, on how Council and its subsidiaries supports placemaking and local economic activation within the City of Adelaide (including Mainstreets, Precincts, Associations etc.). This Placemaking Review is in progress.</p> <p>The Acting Chief Executive Officer has approved a completion date extension from 31 May 2024 to 31 October 2024 the while the review is completed.</p>	Oct-24	Medium	General Manager, AEDA
e	Conduct a review of the purpose and value of the AEDA Advisory Committee	KPMG	K4	AEDA	<p>A review of the Advisory Committee was undertaken in November 2023. A report was then presented at the 21 November 2023 Board meeting which proposed how the Committee could be better utilised going forward. The Board endorsed the report's recommendation. No changes are required to the Advisory Committee Terms of Reference.</p> <p>This action is completed.</p>	Completed	Medium	General Manager, AEDA
<b>8</b>	<b>AEDA data insights</b>							
8	Review and enhance AEDA's capability to provide strategic economic insights for the city	Deloitte	D1	AEDA	<p>The CoA Graduate Program has allocated 1 FTE position to support the AEDA Data and Insights team during 2024 and 2025. AEDA is also working with the universities to provide students with work experience by assisting AEDA with adhoc research projects.</p> <p>A business case has been submitted via the City of Adelaide Business Plan and Budget process for 2024/2025 for a qualitative research assistant within AEDA.</p> <p>The development of the Economic Development Strategy and the AEDA Strategic Plan will provide greater direction for the reporting of strategic economic insights for the city which will be delivered via actions 1, 1a and 2(a-d) of the AEDA Review Implementation Plan</p> <p>This action is completed.</p>	Completed	Low	General Manager, AEDA
a	Expand the AEDA Data and Insights function from one staff member to a team	KPMG	K7	CoA	<p>The CoA Graduate Program has allocated 1 FTE position to support the AEDA Data and Insights team during 2024 and 2025. AEDA is also working with the universities to provide students with work experience by assisting AEDA with adhoc research projects.</p> <p>A business case has been submitted via the City of Adelaide Business Plan and Budget process for 2024/2025 for a qualitative research assistant within AEDA.</p> <p>Any additional resourcing will be considered as part of an overall approach to ensure the structure of the City of Adelaide supports the directions and priorities sought by Council.</p> <p>This action is completed.</p>	Completed	Low	General Manager, AEDA Chief Operating Officer

9	Review of specific AEDA programs							
a	Review effectiveness of outsourced small business service functions to support new and emerging businesses, to inform future operating and contracting models	Deloitte	D4	AEDA	<p>In July 2023, the AEDA Board agreed to target the 2023/24 Strategic Partnerships Program (SPP) funding towards projects that supported the growth of small businesses.</p> <p>Consideration was given to the State's Small Business Strategy when redesigning the SPP Guidelines to ensure it complimented, rather than duplicated, existing support programs. The revised guidelines for the program therefore prioritised activities that were more intensive and had a measurable impact.</p> <p>The application period for the program was open from 23 August to 18 September 2023 and the University of Adelaide/ThinkLab, MTPConnect and SouthStart were selected as the recipients of the funding.</p> <p>In addition to the SPP Program, regular communications are occurring with the Office for Small and Family Business to ensure that upcoming business support programs are communicated to businesses via AEDA Channels. This also provides the opportunity for AEDA to provide feedback on business needs and where additional support may be required.</p> <p>AEDA will review the strategy and its associated programs at the end of 2024, taking into account their success and the current needs of the city.</p> <p>Communications are also continuing with Business SA, which includes referring small businesses to Business SA for assistance where relevant to do so.</p> <p>This action is now completed.</p>	Completed	Immediate	General Manager, AEDA
b	Identify obligations of ByADL contract and investigate options to continue or exit	KPMG	K14	AEDA	<p>The options to continue or handover the platform to the software partner were explored by Administration and the options were presented to the AEDA Board on 26 September 2023. The Board authorised the General Manager to execute a revised agreement with Arcadier (the software partner) to enable transition of the byADL platform. A formal term sheet has now been signed by both parties.</p> <p>This action has now been closed.</p>	Completed	Immediate	General Manager, AEDA
c	Reassess ambition and contractual obligations for Wellfest Program	KPMG	K16	AEDA	<p>At the 21 November 2023 AEDA Board meeting, the Board considered a report on Wellfest. The Board noted the origin of WellFest project as a response to concerns relating to Covid and reiterated the continuing importance of wellbeing to workplaces. However, the Board considered the environment that Wellfest was conceived in has changed and resolved to discontinue the event.</p> <p>An update on this project was provided to Council at the 30 January 2024 workshop.</p> <p>This action is now completed.</p>	Completed	Immediate	General Manager, AEDA
d	Revisit the original plan and approach for the new Experience Adelaide Visitor Centre	KPMG	K5	Both	<p>AEDA Administration have reassessed the original plan and approach. Updated feasibility studies have also been considered. The AEDA Board have endorsed the proposed amended model for the Experience Adelaide Visitor Centre and this was briefly discussed with Council at the 30 January 2024 workshop.</p> <p>A report was presented to the City Finance and Governance Committee on 20 February 2024 for further consideration.</p> <p>Engagement with Council on this project will be ongoing.</p> <p>This action is now completed.</p>	Completed	Immediate	Chief Executive Officer General Manager, AEDA

## Strategic Risk Register

Friday, 14 June 2024

Audit and Risk Committee

Strategic Alignment - Our Corporation

**Program Contact:**

Kathryn Goldy, Acting Manager  
Governance

Public

**Approving Officer:**

Anthony Spartalis, Acting Chief  
Operating Officer

## EXECUTIVE SUMMARY

The purpose of this report is to present the City of Adelaide's revised draft Strategic Risk Register.

Sound risk and opportunity management enables well-informed decision-making and supports the delivery of City of Adelaide's Strategic Plan. It is an essential part of good governance that City of Adelaide's enterprise approach to risk management is embedded in the organisation's culture. The Strategic Risk and Internal Audit Group and Executive Team integrate risk management into all organisational activities by:

- developing and implementing the Risk Management Operating Guideline, and supporting tools and processes
- allocating appropriate resources for risk management
- supporting and encouraging risk escalation
- assigning roles, responsibilities and accountabilities with respect to risk management and communicating these at all levels of the organisation.

Following the approval of the City of Adelaide Strategic Plan 2024-2028, the Strategic Risk and Internal Audit Group reviewed the City of Adelaide's draft Strategic Risk Register. The revised draft Strategic Risk Register is now provided to the Audit and Risk Committee for noting and seeks feedback from the Committee on the draft Strategic Risk Register.

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## RECOMMENDATION

### THAT THE AUDIT AND RISK COMMITTEE

1. Notes the report to Item 6.5 - Strategic Risk Register on the Agenda for the meeting of the Audit and Risk Committee held on 14 June 2024.
2. Notes the draft Strategic Risk Register contained in Attachment A to Item 6.5 on the Agenda for the meeting of the Audit and Risk Committee held on 14 June 2024 and provides the following feedback:
  - 2.1. \_\_\_\_\_
  - 2.2. \_\_\_\_\_

## IMPLICATIONS AND FINANCIALS

City of Adelaide 2024-2028 Strategic Plan	<b>Strategic Alignment – Our Corporation</b> The role of the City of Adelaide is to uphold the values of integrity and accountability. To ensure that the Council delivers services to the community as a leader, advocate and facilitator by maintaining a transparent decision-making process.
Policy	Alignment with the City of Adelaide Risk Management Operating Guideline.
Consultation	Not as a result of this report.
Resource	Not as a result of this report.
Risk / Legal / Legislative	Sound risk and opportunity management, minimises and controls risk, identifies improvement opportunities, and enables well-informed decision-making and supports the delivery of the Strategic Plan.
Opportunities	Sound risk and opportunity management, minimises and controls risk, identifies improvement opportunities, and enables well-informed decision-making and supports the delivery of the Strategic Plan.
23/24 Budget Allocation	Not as a result of this report.
Proposed 24/25 Budget Allocation	Not as a result of this report.
Life of Project, Service, Initiative or (Expectancy of) Asset	Not as a result of this report.
23/24 Budget Reconsideration (if applicable)	Not as a result of this report.
Ongoing Costs (eg maintenance cost)	Not as a result of this report.
Other Funding Sources	Not as a result of this report.

# DISCUSSION

## Background

1. One of the roles of the Audit and Risk Committee, as per 3.5.1 of the Terms of Reference, is to review the Council's Risk Profile and monitor the risk exposure of Council and its subsidiaries.

## Strategic Risk Register

2. Following the approval of the City of Adelaide Strategic Plan 2024-2028, Strategic Risk and Internal Audit Group (SRIA) reviewed City of Adelaide (CoA's) Strategic Risk Register (Register).
3. KPMG facilitated a Strategic Risk Workshop to review and discuss the strategic risks for CoA with the executive. The feedback has been collated and formalised in a draft Register which was discussed at SRIA on 16 May 2024.
4. The updated draft Register appears as Attachment A and identifies ten risks. They are:
  - 4.1. *Financial Sustainability* - Council's financial settings are not sustainable in the long term.
  - 4.2. *Cyber Security* – Cyber security vulnerability exposes the CoA to data breaches and system compromises, risking sensitive information and operational disruption.
  - 4.3. *Assets and Infrastructure Risks* – Ineffective asset and infrastructure planning, systems, and programs or insufficient funding available.
  - 4.4. *Business Resilience* – Risk of disruptions to essential services and operations due to unforeseen events, threatening the CoA's ability to safeguard its personnel, assets, maintain service continuity and meet community needs.
  - 4.5. *Climate Change Adaptation & Vulnerability* – Impact of changing climate conditions and an increase in extreme weather events presents a risk to Council, community infrastructure and natural environment.
  - 4.6. *Statutory and Regulatory Risk* – Non-compliance with statutory and regulatory requirements poses legal, financial and reputational risks to the organisation.
  - 4.7. *Reputational Risk* – Negative reputation and public perception of Council.
  - 4.8. *Human Resource Management* - Risk of human resource management and health & safety compliance.
  - 4.9. *Ineffective Governance* – Ineffective governance leading to operational inefficiencies, legal liabilities, and reputational damage.
  - 4.10. *Lack of fit-for-purpose IT systems and data governance* – Inadequate IT systems and data governance endanger operational efficiency and data integrity while increasing susceptibility to security breaches and regulatory non-compliance.
5. The Strategic Risk Register will be replicated for the subsidiaries, Adelaide Economic Development Agency and Adelaide Central Market Authority to ensure a consistent approach to risk management practices.
6. A copy of the previous Strategic Risk and Opportunity Register appears as [link 1](#) for reference.
7. Following feedback received by the Audit and Risk Committee, an updated Register will be provided to the Committee at an upcoming meeting for endorsement prior to being presented to Council.

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## DATA AND SUPPORTING INFORMATION

[Link 1](#) – Strategic Risk and Opportunity Register

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## ATTACHMENTS

**Attachment A** – 2024 draft Strategic Risk Register

2024 Update Risk Register

Risk #	Risk area	Risk details	Subordinate risks	Inherent Risk	Key Controls	Responsibility	Residual Risk
1	Financial Sustainability	Council financial settings are not sustainable in the long term.	Council discretionary expenditure is not sustainable.	Extreme	Development and implementation of the Annual Business Plan & Budget with Associate Directors and Managers, considering trends, what is required and service levels. The BP&B is presented to Audit & Risk Committee and Council annual and seek Council endorsement.	Manager Finance & Procurement	High
			Significant increase in costs of asset renewals in capital delivery program, including impacts from increasing supplier costs and inflation.		Monitor and update the LTTP and seek Council endorsement as required to ensure long term financial implications are managed	Manager Finance & Procurement	
			Increasing debt outside of debt liability ranges and prudential liability cap.		Deliver Asset Renewals in line with Council approved Asset Management Plans to ensure we are managing our assets in a financially sustainable manner	Associate Director Infrastructure	
			Inadequate financial resources to delivery on strategic plan objectives and initiatives, and deliver services aligned with community needs and expectations.		Revise the Asset Management Plans by June 2024	Associate Director Infrastructure	
					Maintain an average asset sustainability ratio that meets 90-110% across a 5-year period ensuring risk-based decision-making and attention to high priority assets.	Associate Director Infrastructure	
					Periodically review the Rating System to ensure optimum outcomes.	Manager Finance & Procurement	
					Financial indicators are in line with annual targets (as outlined in the Long-Term Financial Plan) with a focus on Asset Renewal Funding Ratio between 90% - 110%	Manager Finance & Procurement Associate Director Infrastructure	
					Grow the share of non-rates based revenue	Manager Finance & Procurement	
					Manage the governance arrangement for the Future Fund	Manager Finance & Procurement	
					Procurement is conducted in line with relevant Council policies and supports Council's Climate, Diversity, Reconciliation, Workforce and 'Buy Local' strategies and targets	Manager Finance & Procurement	
					Review the Procurement Policy and Guidelines to support circular economy, climate resilience, Aboriginal and Torres Strait Islander employment and local sourcing by 2024	Manager Finance & Procurement	
					Increase the use of social enterprises and Aboriginal Torres Strait Islander owner businesses through City of Adelaide procurement	Manager Finance & Procurement	
					Determine future funding requirements for community assets such as Torrens Weir enhancement and replacement / strengthening of Adelaide Bridge	Manager Finance & Procurement	
					Deliver conservation management plans for heritage assets by 2025/26	Associate Director Infrastructure	
					Deliver the Adelaide Parks Lands Management Strategy in 2024/25	Associate Director Park Lands, Policy & Sustainability	
					Facilitate the delivery of 50 dwellings annually through adaptive reuse of underutilised buildings	Associate Director Park Lands, Policy & Sustainability	
					Increase the number of dwellings in our city from 14,660 (2021) to 17,780 by 2026 and 22,770 by 2033	Associate Director Park Lands, Policy & Sustainability	
					Increase the use of the City of Adelaide or State Government incentive schemes or grants to increase diversity in housing, public realm, sustainability and community facilities in line with Council's Housing Strategy	Associate Director Park Lands, Policy & Sustainability	
					Attract investment to deliver 600 affordable rental properties by 2028 in line with Council's Housing Strategy	Associate Director Park Lands, Policy & Sustainability	
					Develop a Social Infrastructure Policy by 2024 to support our current and emerging community needs	Associate Director Park Lands, Policy & Sustainability	
Develop the City Plan by 2024	Associate Director Park Lands, Policy & Sustainability						
Develop a City of Adelaide Economic Development Strategy by 2024 to drive growth	Associate Director Park Lands, Policy & Sustainability						
Review the Strategic Property Action Plan by 2024/25 to manage opportunities including car parks and other commercial assets for our community	Associate Director Strategic Property						
Develop sales and tenancy targets associated with City of Adelaide housing developments	Associate Director Strategic Property						
Strategic and Capital projects are delivered on time and on budget	Associate Director Infrastructure						
Complete a review and embed a revised the Strategic Planning Framework by 2024	Manager Strategy, Insights & Performance						
Develop baseline data for relevant measures in the Strategic Plan by 2024	Manager Strategy, Insights & Performance						
2	Cyber Security	Cyber Security vulnerability exposes the CoA to data breaches and system compromises, risking sensitive information and operational disruption.	Cyber-attach resulting in large scale service outage, unauthorised disclosure of confidential information, and financial loss	Extreme	Ensure daily BAU activities are performed.	Manager Information Management	High
			Lack of cyber security measures, training and awareness and proactive cyber security management performed by staff		Report to SRIA every 6 months on cyber security for discussion on risk exposure and controls	Manager Information Management	
			Uncertainty in assessing vulnerabilities and evolving sophistication of cyber threat landscape.		Ensure insurance cover is in place annually from LGAAMF to provide cover for cyber security	Manager Governance	
					Organise an external consultant to perform PCI-DSS Compliance audits and Penetration Testing to ensure controls are in place regarding software and hardware for processing payment cards which is managed through the internal audit function.	Manager Governance	
3	Assets and Infrastructure Risks	Ineffective asset and infrastructure planning, systems, and programs are insufficient funding available.	Veracity of asset management plans, including ineffective asset life cycle planning, estimation and decision-making frameworks and processes.	High	Deliver Asset Renewals in line with Council approved Asset Management Plans to ensure we are managing our assets in a financially sustainable manner	Associate Director Infrastructure	Moderate
			Project delivery challenges, including supply chain risk, lack of skilled personnel and resources to deliver on program.		Monitor and update the Asset Management Plans as required to maintain service standards and to minimise performance risk	Associate Director Infrastructure	
			Under-investment of asset renewal program and increase in deterioration of assets including from climate change, resulting in an increase in asset renewal and shorter asset cycle and costs of upgrading/betterment when repairing assets.		Ensure that staff follow the project management framework for all projects, delivered by the Council, ensuring renewal, major, new and upgrade projects follow a 3-year cycle across Plan, Design and Construction.	Associate Director Infrastructure	
			Lack of effective formal decision-making framework, resulting in asset owners and key decision makers unable to make informed decisions that balance cost, risk and performance.		Continue weekly <i>Change Triage Group (CTG)</i> sessions to recommend and govern changes to project scopes, schedules and cost where required.	Associate Director Infrastructure	
					Continue weekly <i>Project Control Group (PCG)</i> sessions to authorise project changes through management, including options review and 'best' delivery approaches.	Associate Director Infrastructure	
					Centralise Project Management Office to assist with the prioritisation and delivery of projects via the Capital Works-Risk dashboard.	Manager Strategy, Insights & Performance	
Commence the design of the Hindley Street Upgrade project by 2023/24 - 2024/25	Associate Director Infrastructure						

					Commence the design of the Gouger Street Upgrade project by 2023/24	Associate Director Infrastructure	
					Commence the design of the O'Connell Street Upgrade project by 2024/25	Associate Director Infrastructure	
					Commence the design of the Hutt Street Upgrade project by 2024/25	Associate Director Infrastructure	
					Commence the design of the Melbourne Street Upgrade project by 2025/26	Associate Director Infrastructure	
					Develop and implement an Integrated Transport Strategy and establish associated targets by 2024/25 that aligns to the South Australian Road Safety Strategy by 2031	Associate Director Infrastructure	
4	<b>Business Resilience</b>	The risk of disruptions to essential services and operations due to unforeseen events, threatening the CoA's ability to safeguard its personnel, assets, maintain service continuity and meet community needs.	Inability to prepare, respond to, and promote resilience in the community in the event of an emergency (i.e. pandemic, earthquake, flood, extreme heat, terrorism).	<b>High</b>	Facilitate the Emergency Management Steering Committee who meets bi-monthly to provide oversight on emergency management function.	Manager Governance	<b>Moderate</b>
			Failure to respond effectively to community needs during a disaster resulting in serious injury or harm to staff and the public, resulting in suspension of CoA operations and reputational damages.		Review the Business Continuity Plan annually with relevant Associate Directors and Managers to ensure all critical functions are documented annually and conduct a BCP exercise.	Manager Governance	
			Essential and key Council operations are unable to be performed as a result of a natural disaster, cyber security incident, hardware or IT system failure, or other catastrophic event.		Maintain Emergency Management Steering Committee and trained council commanders.	Manager Governance	
			Ineffective planning and execution of Council plans to ensure the continuity of business operations and IT systems in the event of a disaster.		Attend and participate in the Eastern Adelaide Zone Emergency Management ZONE Committee meetings, representing City of Adelaide every quarter.	Manager Governance	
					Ensure Council Commanders are in place to manage any types of emergencies.	Manager Governance	
					Ensure that Council maintain a current Disaster Recovery Plan	Manager Information Management	
					Perform cyber security audits when required (i.e. annual PCI-DSS performed, or when there is a change in a software or need to test).	Manager Information Management	
				Review Emergency Management Plans and response by 2025	Manager Governance		
5	<b>Climate Change Adaption &amp; Vulnerability</b>	Impact of changing climate conditions and an increase in extreme weather events presents a risk to Council, community, infrastructure and natural environment.	Impacts of decarbonising and transitioning to a low carbon economy, including enhanced and new mandates and regulations, litigations exposure, increased cost of electricity.	<b>Extreme</b>	Keeping informed of up-to-date science and adaptation knowledge, through IPCC, National & State Government, CSIRO, BOM and LGA updates, as well as partnerships with Universities, and participating in regional climate change adaption partnerships (e.g. Resilient East) and Cities Power Partnerships.	Associate Director Park Lands, Policy & Sustainability	<b>High</b>
			Inability to adequately prepare for impacts from extreme weather events, including increased and prolonged heatwaves, increased flooding and urban heat island effects.		Continue membership of Resilient East Regional Adaptation Partnership Steering Group that meets quarterly.	Associate Director Park Lands, Policy & Sustainability	
			Ineffective planning for the impact of changing climate conditions that pose a threat to Council infrastructure, assets, waster management and the natural environment, including consideration of future legislative changes.		Implementation of the Resilient East Regional Adaptation Action Plan	Associate Director Park Lands, Policy & Sustainability	
					Deliver on the targets in the new City of Adelaide Integrated Climate Strategy	Associate Director Park Lands, Policy & Sustainability	
					Develop a Sustainability Governance and reporting Framework by 2025 and capture and share data and learnings.	Associate Director Park Lands, Policy & Sustainability	
6	<b>Statutory and Regulatory Risk</b>	Non-compliance with statutory and regulatory requirements poses legal, financial, and reputational risks to the organisation	Non-compliance with relevant legislation and regulatory requirements.	<b>High</b>	Engage external auditors to conduct the end of year financial audit and internal controls opinion	Manager Finance & Procurement	<b>Moderate</b>
			Lack of effective systems and processes to monitor and respond to regulatory changes.		Schedule quarterly PCI Compliance meetings with the relevant stakeholders to ensure 100% on BAU PCI compliance which is monitored and reviewed via Promapp (as per the pre-determined frequency).	Manager Finance & Procurement	
			Reputational damage from non-compliance		Undertake annual legislative reviews as part of the Internal Audit program and report to Audit & Risk Committee.	Manager Governance	
					Deliver a robust internal audit program that aligns to service outcomes	Manager Governance	
					Undertake 6 monthly self-assessments and reviews of Internal Controls (via Promapp).	Manager Governance	
					Hold monthly SRIA meetings, record minutes and report to Audit & Risk Committee.	Manager Governance	
					Ensure all staff complete the Good Governance training module to provide awareness of legislative obligations.	Manager Governance	
				Biennial risk evaluation performed by the Local Government Risk Services.	Manager Governance		
				Review and implement by-laws which respond to community needs by 2025	Associate Director Regulatory Services		
7	<b>Reputational Risk</b>	Negative reputation and public perception of Council	Impacts of adverse and critical media and community coverage, including loss of community trust.	<b>High</b>	Council support the delivery of key actions of AEDA and ACMA to better support the business community	General Manager AEDA General Manager ACMA	<b>Moderate</b>
			Community needs and expectations, including service levels not met.		Lord Mayor as the spokesperson for Council and CEO for administration to provide consistent source of information	CEO	
			Increased community complaints and adverse audit findings resulting in reputational damage.		Onboarding of Elected Members for new or re-elected members	Manager Governance	
					Council and AEDA to partner with key stakeholders to progress economic development and growth outcomes across all sectors in the City with a view to increasing city contribution to Gross State Product	General Manager AEDA	
					Deliver economic data and insights to our business community	General Manager AEDA	
					Increase in foot traffic in key and emerging precincts annually in line with the Council's Economic Development Strategy	General Manager AEDA	
					Amplify Adelaide's status as a UNESCO City of Music	Associate Director City Culture	
					Develop a Cultural Policy by 2024 that promotes and supports the City's unique cultural identity and opportunities	Associate Director City Culture	
					Develop a Community Wellbeing Plan by 2026	Associate Director City Culture	
					Support the delivery of the key actions of the AEDA Strategic Plan to support investors, emerging sectors, entrepreneurs and business owners to be successful, innovative and responsive to a changing business environment	Chief Operating Officer	
					Achieve and maintain Voice of the Customer Survey scores for Customer Satisfaction and Customer Ease	Manager Customer & Marketing	
					Deliver marketing and promotional strategies to share Adelaide's unique attributes and emerging opportunities	Manager Customer & Marketing	
					Review marketing and communications policies and practices to ensure website and social media content is reflective of current decisions, projects and services	Manager Customer & Marketing	
					Implement data integration solutions for Customer Insights to drive efficiency outcomes	Manager Information Management	
				Review the Community Engagement approach by 2025	Manager Strategy, Insights & Performance		
				Business, Resident and City Users Surveys identify overall satisfaction with Council services	Manager Strategy, Insights & Performance		

					Reduce the number of items and Council decisions considered and held in confidence	Manager Governance	
8	Human Resource Management	Risk of Human Resource Management and Health & Safety Compliance	Inability to attract and retain staff with required skill sets and leadership to deliver on Council's strategic aspirations.	High	Ensure a recognition and benefits program is in place.	Manager People	Moderate
					Ensure that further education and development opportunities (including City Ed, providing reimbursement and study leave for further education).	Manager People	
					Ensure a Wellbeing Program is in place and managed,	Manager People	
			Lack of engaged and high functioning organisational culture.		Implement the Connection Series	Manager People	
					Regular monitoring by the LGRS of key WHS projects and WHS procedures/process that are stipulated in the Action Plan	Manager People	
			Lack of performance or performance management of existing human resources and supporting effective systems.		Endorsed WHS Policy	Manager People	
					Implemented organisational scorecard includes measures relating to WHS assurance, lost injury time and Hazard Profile Schedule	Manager People	
			Not providing a safe workplace for staff, volunteers, contractors and the public.		Perform Culture Survey, cultural pulse checks and implement initiatives that are aimed at improving Culture Survey results.	Manager People	
					Implement corporate induction program	Manager People	
					Deliver Workforce Management Systems upgrades	Manager Information Management	
	Deliver a Workforce Strategy by 2024	Manager People					
	Deliver a City of Adelaide Graduate program by 2025 - First intake 2023/24 - Second intake 2024/25	Manager People					
9	Ineffective Governance	Ineffective governance leading to operational inefficiencies, legal liabilities, and reputational damage.	Ineffective governance structure and practices to support strategic decision-making.	High	Undertake annual legislative reviews are part of the Internal Audit program and report to Audit & Risk Committee.	Manager Governance	Moderate
					Develop an annual Internal Audit program (including subsidiaries) to be approved by SRIA and Audit & Risk Committee.	Manager Governance	
					Undertake 6 monthly self-assessments and reviews of Internal Controls (via Promapp).	Manager Governance	
			Ineffective governance of Council and Subsidiary administrations, resulting in reputational risk, including a loss of community trust in CoA administration and elected members.		Proactive participation of Capital City Committee meetings resulting in improved partnerships quarterly and funding/partnership opportunities.	CEO	
					Council representation on the Premier's Safety and Wellbeing Taskforce who developed short- and long-term strategies to keep the community safe (strategic and tactical actions).	CEO	
					LGA Membership and participation in the LGA and the Australian Local Government Association forums providing advocacy for the sector	CEO	
					Regular reporting of Strategic Plan 2024-2028	Manager Strategy, Insights &	
					The City Deal agreement between the Australian Government, State Government and Council which ensures the delivery of outcomes and programs for the State. Funding opportunities for Council	General Manager AEDA	
					Capital City Committee Lord Mayor (CCCLM) meet quarterly for all LM's and CEO's across Australia, annual GM	CEO	
					Precincts groups provides a community voice that Council and Councillors can listen to.	General Manager AEDA	
	Regular online communications to various segments of our community including City Business Newsletter. What's On and regular EDM for Rundle Mall stakeholders	General Manager AEDA					
	Review and monitor the Governance Structure to ensure best practice decision making and enable effective advice for Council's undertakings - Adopted by Council on 17 January 2023	Manager Governance					
	Implement a Public Transparency Policy by June 2024 - Adopted by Council 28 November 2023	Manager Governance					
10	Lack of fit for purpose IT systems and data governance	Inadequate IT systems and data governance endanger operational efficiency and data integrity, while increasing susceptibility to security breaches and regulatory non-compliance	Current business systems are not fit for purpose, to enable delivery of efficient operations and meet community needs.	Extreme	Every 2 months hold ongoing Business Systems Committee that oversee the investment in business systems	Manager Information Management	High
			Non-compliance with data protection regulations/lack of employee training and awareness		Ensure the Purchase and Management of IT Systems is regularly reviewed and available to all Council staff via the endorsed Procurement Policy.	Manager Information Management	
					Deliver and maintain Business Systems Roadmap to support business efficiency	Manager Information Management	
					Increase awareness and engagement of staff through the use of better systems	Manager Information Management	



## Internal Audit Plan 2024/25

Friday, 14 June 2024

Audit and Risk Committee

Strategic Alignment – Our Corporation

**Program Contact:**

Kathryn Goldy, Acting Manager  
Governance

Public

**Approving Officer:**

Anthony Spartalis, Acting Chief  
Executive Officer

## EXECUTIVE SUMMARY

This report provides the proposed 2024/25 one-year Internal Audit Plan (the Plan) for the City of Adelaide (CoA). The Plan has been prepared following the review of Council's Strategic Risk Register and in consultation with the Executive, members of the Strategic Risk and Internal Audit Group (SRIA) and CoA's internal audit provider in consideration of CoA's strategic risks and key priorities.

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## RECOMMENDATION

THAT THE AUDIT AND RISK COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL

1. Approves the City of Adelaide 2024/25 one-year Internal Audit Plan, contained in Attachment A to Item 6.6 on the Agenda for the meeting of the Audit and Risk Committee held on 14 June 2024.
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## IMPLICATIONS AND FINANCIALS

City of Adelaide 2024-2028 Strategic Plan	<b>Strategic Alignment – Our Corporation</b> Internal audit is an essential component of a good governance framework. It enables Council to ensure it is performing its functions legally, effectively and efficiently.
Policy	Not as a result of this report.
Consultation	Not as a result of this report.
Resource	Not as a result of this report.
Risk / Legal / Legislative	Not as a result of this report.
Opportunities	Internal audit focuses largely on compliance, risk management and improvement opportunities. As such audits suggest a range of improvement opportunities related to the area being reviewed, enhancing functions and services aligning Council processes to best practice standards.
23/24 Budget Allocation	Not as a result of this report.
Proposed 24/25 Budget Allocation	\$250,000
Life of Project, Service, Initiative or (Expectancy of) Asset	Not as a result of this report.
23/24 Budget Reconsideration (if applicable)	Not as a result of this report.
Ongoing Costs (eg maintenance cost)	Not as a result of this report.
Other Funding Sources	Not as a result of this report.

## DISCUSSION

1. Following the approval of the City of Adelaide (CoA) Strategic Plan 2024-2028, the Executive and Strategic Risk and Internal Audit Group (SRIA) reviewed CoA's Strategic Risk Register. Information regarding the revised draft Strategic Risk Register appears at Item 6.5 on the Agenda for the meeting of the Audit and Risk Committee held on 14 June 2024.
2. Following the fulsome review of Council's Strategic Risk Register, the one-year (2024/25) Internal Audit Plan (the Plan) for CoA has been drafted in consultation with Executive, members of SRIA and CoA's internal audit provider in consideration of the CoA's strategic risks and key priorities within the CoA Strategic Plan 2024-2028.
3. The Plan for 2024/25 includes a number of internal audits that can be facilitated using existing CoA resources. Internal audits are performed, either in-house by the Risk and Audit Analyst, or by CoA's internal audit partner KPMG. The Risk and Audit Analyst will perform the operational and transactional compliance audits. KPMG will perform the strategic and compliance audits, where specialised skills and expertise are required. This approach ensures that appropriate assurance is provided to the Council in a way that achieves the best value for money, leveraging our in-house and external capability where appropriate.
4. Each internal audit has been identified as a risk mitigation to the CoA's Strategic Risks and corresponding risk rating.
5. The following items are recommended in the Plan for 2024/25:
  - 5.1. Fraud Prevention
  - 5.2. Archives – covering how records are maintained, retained and disposed of in line with its legislative requirements
  - 5.3. Waste Management
  - 5.4. Penalty and Infringement Compliance
  - 5.5. Legislative Compliance (mandatory annual review)
  - 5.6. TechOne Post Upgrade Implementation Review
  - 5.7. PCI Compliance (mandatory annual review)
  - 5.8. Penetration Testing (mandatory annual review)
  - 5.9. Councillor Expenses
  - 5.10. Site Contamination – including a review of key strategic documents, including CoA's plans to manage and report on environmental metrics.
  - 5.11. On Street Parking – to ensure all relevant revenue is being collected and any revenue adjustments are appropriate.
  - 5.12. UPark Operations
  - 5.13. IT Governance Framework
  - 5.14. Recording Keeping (mandatory annual review).
6. A brief draft scope for each review is included in **Attachment A**. A more comprehensive scope will be developed and presented to SRIA for approval prior to each internal audit being undertaken.

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## ATTACHMENTS

**Attachment A** – Internal Audit Plan 2024-25

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- END OF REPORT -

# INTERNAL AUDIT PLAN

2024-2025

June 2024

## ACKNOWLEDGEMENT OF COUNTRY

The City of Adelaide acknowledges that we are located on the traditional Country of the Kaurna people of the Adelaide Plains and pays respect to Elders past, present and emerging.

We recognise and respect their cultural heritage, beliefs and relationship with the land. We also extend that respect to visitors of other Aboriginal Language Groups and other First Nations.

## DOCUMENT PROPERTIES

### Contact for enquiries and proposed changes

If you have any questions regarding this document or if you have a suggestion for improvements, please contact:

**Contact Officer:** Janet Crook  
**Title:** Team Leader Corporate Governance and Legal  
**Program:** Governance  
**Phone:** (08) 8203 7293  
**Email:** [J.Crook@cityofadelaide.com.au](mailto:J.Crook@cityofadelaide.com.au)

## PURPOSE

The purpose of this document is to provide the City of Adelaide’s (CoA) Executive and Strategic Risk and Internal Audit (SRIA) members and subsequently the CoA’s Audit and Risk Committee (ARC) a proposed one-year Internal Audit (IA) Plan (Plan). The Plan has been presented to SRIA for endorsement prior to being submitted to the ARC for final review prior to implementation. The Plan relates to all areas of CoA including the subsidiaries.

A detailed project scope document will be developed prior to the commencement of individual projects. This is not a static document and the Plan will be reassessed periodically to recognise CoA’s changing risks, controls and internal audit requirements. Regular risk monitoring and communication with Executive and SRIA will be undertaken to keep key stakeholders informed of any potential changes to organisational risk profiles and facilitate the on-going alignment of IA activities with organisational objectives. IA is reported monthly to SRIA which includes new scopes, outcomes and a report on current or outstanding actions.

## WHY HAVE AUDITS BEEN SELECTED?

The intention of the audits detailed in the Plan are aligned to deliver value within CoA’s context of its values, culture, customer service objective and Strategic Plan. The internal audits have been selected not to enable disciplinary action but rather as genuine opportunities in these areas to deliver value and as a mechanism to help improve the likelihood of success.

It is envisaged that these internal audit projects, which are oriented towards opportunities to enhance Council services and the internal organisation’s services, will assist to contribute to achievement of strategic objectives, improving the risk culture at CoA and overall, assist CoA to deliver a better experience for the people living and working in the City of Adelaide.

The Plan for 24/25 includes a number of audits that can be facilitated utilising existing in-house CoA resources. External providers will be utilised for strategic and compliance audits where specialised skills and expertise are required.

Internal audits have been categorised as:

- Operational
- Strategic
- Compliance

Audits are identified to assist in mitigating CoA strategic risks which are outlined in the table below.

## TYPE OF AUDIT

Three types of Audits	
Operational	To review the robustness of systems, policies and processes
Strategic	To provide an independent examination of the strategic objective a program, function, operation or the management systems and procedures of council to assess whether the administration is achieving value for money, efficiency and effectiveness
Compliance	To provide comfort that contractual or legislative / regulatory obligations are being met.

## CoA STRATEGIC RISK REGISTER

Strategic risk	Risk description
Financial Sustainability	Council financial settings are not sustainable in the long term.
Cyber Security	Cyber security vulnerability exposes the CoA to data breaches and system compromises, risking sensitive information and operation disruption.
Asset and Infrastructure Risks	Ineffective asset and infrastructure planning, systems, and programs or insufficient funding available.
Business Resilience	The risk of disruptions to essential services and operations due to unforeseen events, threatening the CoA's ability to safeguard its personnel, assets, maintain service continuity and meet community needs.
Climate Change Adaption & Vulnerability	Impact of changing climate conditions and an increase in extreme weather events presents a risk to Council, community, infrastructure and natural environment.
Statutory and Regulatory Risk	Non-compliance with statutory and regulatory requirements poses legal, financial, and reputational risks to the organisation.
Reputational Risk	Negative reputation and public perception of Council.
Human Resource Management	Risk of Human Resource Management and Health & Safety Compliance.
Ineffective Governance	Ineffective governance leading to operational inefficiencies, legal liabilities and reputational damage.
Lack of fit for purpose IT systems and Data Governance	Inadequate IT systems and data governance endanger operational efficiency and data integrity, while increasing susceptibility to security breaches and regulatory non-compliance.

## INTERNAL AUDITS PREVIOUSLY UNDERTAKEN

2023 / 2024	2022 / 2023	2021 / 2022	2020 / 2021
Grants Management	Asset Inspection	NA Golf Course Financial Processes	Record Keeping
Review of Climate Change Action Plan	Essential Eight Maturity Model	Planning Development and Infrastructure Act 2016 Implementation	Management of Leave
Community Safety	Volunteer Management	Fleet Management and Fuel Cards	Software Licence Review
Strategic Property Review	ACMA Financial Processes	Payroll and Remuneration	Employee Gifts and Benefits
Project Health Check	Workforce Planning and Staff Retention	PCI Compliance	PCI Compliance
Mercer Review	Cab Charges, Ride Shares and Pool Cars	Record Keeping	Training and Development Internal Processes
Emergency Management	Legislative Compliance	Post Audit Implementation	Project Management Review
Lease Management	Record Keeping		Legislative Compliance Framework
Culture Survey	PCI Compliance		Post Audit Implementation
Data Protection and Privacy			
Contract Management			
Penetration Testing			
PCI Compliance			
Legislative Compliance			
Post Audit Implementation			
Record Keeping			



## PROPOSED INTERNAL AUDITS FOR 2024/25

Name of Audit	Strategic Risk / Residual Risk Rating	Portfolio	Type of Audit	In-house / provider	Commencement Date
<b>Fraud Prevention</b>	Ineffective Governance Moderate	All	Strategic	Provider	July 2024

The objective of this audit is to evaluate and report on:

- The CoA's Fraud Prevention and Control Framework.
- Assessment of the risk relevant to the systems and processes of payment of council funds.
- Assessment of the design and operating effectiveness for a sample of internal controls.
- Appropriateness of the CoA's fraud prevention training and awareness for staff.

*This audit will assist in mitigating the Ineffective Governance risks as outcomes will ensure that the appropriate measures are in the place for monitoring and evaluation of existing corporate governance practices. Ineffective Governance is currently rated as high inherent risk and moderate residual risk on Council's Strategic Risk Register.*

Name of Audit	Strategic Risk / Residual Risk Rating	Portfolio	Type of Audit	In-house / provider	Commencement Date
<b>Archives</b>	Statutory and Regulatory Moderate	Corporate Services	Compliance	In-house	August 2024

This audit will review the processes and practices of the Archive function. It will cover how the organisation manages record-keeping practices in line with legislative requirements, in particular how records are maintained, retention periods and disposal practices.

*This audit will assist in mitigating the Statutory and Regulatory risk and will determine whether appropriate governance structures, policies and processes are in place to ensure Council is meeting its legislative requirements. Statutory and Regulatory risk is currently rated as a high inherent risk and moderate residual risk on Council's Strategic Risk Register.*

Name of Audit	Strategic Risk / Residual Risk Rating	Portfolio	Type of Audit	In-house / provider	Commencement Date
<b>Waste Management</b>	Financial Sustainability High	City Services	Strategic	Provider	September 2024
<p>Review of models utilised across the Council for delivery of waste management services to identify gaps and opportunities. Assessment of the extent to which waste management activities are being managed economically and efficiently, supported by an adequate governance and accountability framework.</p> <p><i>This audit will assist in mitigating the Financial Sustainability risk as the outcomes of the audit will provide information to help support the strategic project that will occur later in the financial year by identifying gaps and opportunities. Financial Sustainability is currently rated as an extreme inherent risk and high residual risk on Council's Strategic Risk Register.</i></p>					
Name of Audit	Strategic Risk / Residual Risk Rating	Portfolio	Type of Audit	In-house / provider	Commencement Date
<b>Penalty &amp; Infringement Compliance</b>	Statutory and Regulatory Moderate	Corporate Services City Shaping	Compliance	In-house	October 2024
<p>Assessment of the compliance, through sample testing of Council issued penalties and infringement notices under the various relevant Acts with a particular focus on cancelled or amended infringement notices. Delegations of Authority, segregation of duties and conflict of interests will also be considered as part of this project.</p> <p><i>This audit will assist in mitigating the Statutory and Regulatory risk as the outcomes of the audit will ensure that CoA is complying with the relevant legislation, processes and procedures. Statutory and Regulatory risk is currently rated as a high inherent risk and moderate residual risk on Council's Strategic Risk Register.</i></p>					

Name of Audit	Strategic Risk / Residual Risk Rating	Portfolio	Type of Audit	In-house / provider	Commencement Date
<b>Legislative Compliance</b>	Statutory and Regulatory Moderate	All	Compliance	In-house	November 2024

On-going assessment of CoA's legislative compliance work plan, auditing one Act at a time with actions monitored and managed in Promapp. This audit will perform a review of legislation and identify any gaps that CoA is not adhering to, to ensure that compliance is maintained at all times.

*This audit will assist in mitigating the Statutory and Regulatory risk as outcomes will ensure compliance with Council's policies and legislative requirements while delivering CoA services to the community. Statutory and Regulatory risk is currently rated as high inherent risk and moderate residual risk on Council's Strategic Risk Register.*

Name of Audit	Strategic Risk / Residual Risk Rating	Portfolio	Type of Audit	In-house / provider	Commencement Date
<b>TechOne Post Upgrade Implementation Review</b>	Lack of fit for purpose IT Systems & Data Governance High	Corporate Services	Strategic	Provider	November 2024

The objective of this review will be to assess the effectiveness of the implementation of a recently implemented IT system by performing a post-implementation review (PIR) of the Project. Key areas of focus will include project management governance and arrangements put in place, delivery of project benefits and a focus on lessons learned.

*This audit will assist in mitigating the Lack of fit for purpose IT Systems & Data Governance risks as outcomes will ensure that the key components of project management governance in the implementation of IT systems are effective and the IT system is fit for purpose. Lack of fit for purpose IT Systems and Data Governance is currently rated as an extreme inherent risk and high residual risk on Council's Strategic Risk Register.*

Name of Audit	Strategic Risk / Residual Risk Rating	Portfolio	Type of Audit	In-house / provider	Commencement Date
<b>PCI Compliance</b>	Cyber Security High	Corporate Services	Compliance	Provider	November 2024

CoA requires an annual review of its compliance with the Payment Card Industry Data Security Standard (PCI DSS) and to report on compliance by presenting its acquiring bank with a completed Self-Assessment Questionnaire (SAQ). The internal audit will provide CoA with an understanding of the level of PCI DSS compliance associated with the payment processing facilities, and to provide guidance in areas of required remediation following the assessment. The audit is required once a year.

*This audit will assist in mitigating the Cyber Security risk as the outcomes of the annual audit will ensure that CoA is adhering to the Visa/Mastercard requirements in relation to customer credit card information. Cyber Security risk is currently rated as a high inherent risk and moderate residual risk on Council's Strategic Risk Register.*

Name of Audit	Strategic Risk / Residual Risk Rating	Portfolio	Type of Audit	In-house / provider	Commencement Date
<b>Penetration Testing</b>	Cyber Security High	Corporate Services	Compliance	Provider	November 2024

The objective of this testing is to identify weaknesses within the CoA internal network on an ongoing basis. This testing is linked with the PCI Compliance annual review to be performed in November. This audit is required once a year.

*This audit will assist in mitigating the Cyber Security risk as the outcomes of the annual audit will ensure that CoA is adhering to the Visa/Mastercard requirements in relation to customer credit card information. Cyber Security is currently rated as an extreme inherent risk and moderate residual risk on Council's Strategic Register.*

Name of Audit	Strategic Risk / Residual Risk Rating	Portfolio	Type of Audit	In-house / provider	Commencement Date
<b>Councillor Expenses</b>	Statutory and Regulatory Moderate	Corporate Services	Compliance	In-house	February 2025

This internal audit will review the end-to-end processes of council member expenses in line with legislative requirements, including documentation, approval and reporting.

*This audit will assist in mitigating the Statutory and Regulatory risk as the outcomes will assist in ensuring relevant practices are in place in line with legislative requirements. Statutory and Regulatory risk is currently rated as a high inherent risk and moderate residual risk on Council's Strategic Risk Register.*

Name of Audit	Strategic Risk / Residual Risk Rating	Portfolio	Type of Audit	In-house / provider	Commencement Date
<b>Site Contamination</b>	Statutory and Regulatory Moderate	City Shaping City Services	Compliance	Provider	February 2025

The objective of the internal audit of on-site contamination for the CoA is to evaluate the effectiveness and efficiency of the processes in place for identifying, managing and remediating contaminated sites. This will include a review of key strategic documents, including Council's plans to manage and report on environmental metrics.

*This audit will assist in mitigating the Statutory and Regulatory risk as the outcomes will provide reassurance of the current practices in identifying, managing and remediating contaminated sites in line with legislative requirements. Statutory and Regulatory risk is currently rated as a high inherent risk and moderate residual risk on Council's Strategic Risk Register.*

Name of Audit	Strategic Risk / Residual Risk Rating	Portfolio	Type of Audit	In-house / provider	Commencement Date
<b>On Street Parking Review</b>	Statutory and Regulatory Moderate	City Services	Operational	In-house	April 2025

Assessment of the operating effectiveness of key controls over this revenue source to ensure all relevant revenue is being collected and any revenue adjustments are appropriate. Testing the operating effectiveness of these controls and perform compliance testing.

*This audit will assist in mitigating the Statutory and Regulatory risk as the outcomes of the review will confirm the effectiveness of the controls. Statutory and Regulator risk is currently rated as a high inherent risk and moderate residual risk on Council's Strategic Risk Register.*

Name of Audit	Strategic Risk / Residual Risk Rating	Portfolio	Type of Audit	In-house / provider	Commencement Date
<b>UPark Operations Review</b>	Statutory and Regulatory Moderate	City Services	Operational	Provider	April 2025

This review will include an assessment of the effectiveness of the UPark operations, including governance, financial management and performance, people, technology and monitoring and reporting arrangements.

*This audit will assist in mitigating the Statutory and Regulatory risk as the outcomes of the review will confirm the effectiveness of the operations. Statutory and Regulatory risk is currently rated as a high inherent risk and moderate residual risk on Council's Strategic Risk Register.*

Name of Audit	Strategic Risk / Residual Risk Rating	Portfolio	Type of Audit	In-house / provider	Commencement Date
<b>IT Governance Framework</b>	Lack of fit for purpose IT Systems and Data Governance High	Corporate Services	Strategic	Provider	May 2025

This internal audit will include an assessment of the CoA's IT governance framework and policies against business needs and better practice for the following areas:

- IT Governance Structure and Framework – review of the current governance structure of the IT function, including relevant roles, responsibilities and associated policies and procedures.
- IT Strategy – review of the CoA's IT Strategy to consider the alignment to the organisational strategy, business objectives and needs and better practice.
- Resourcing – assessment of the current structure and capacity to support relative to roles, responsibilities and capabilities required given the proposed rollout of the CoA's Digital Strategy (IT Roadmap)
- Change Management – consideration of current practices over change management procedures, including policy changes, update, resource management and system changes.

*This audit will assist in mitigating the Lack of fit for purpose IT Systems and Data Governance risks as the outcomes of the review will provide reassurance that relevant governance frameworks are in place. Lack of fit for purpose IT Systems and Data Governance is currently rated as an extreme inherent risk and high residual risk on Council's Strategic Risk Register.*

Name of Audit	Strategic Risk / Residual Risk Rating	Portfolio	Type of Audit	In-house / provider	Commencement Date
<b>Record Keeping</b>	Statutory and Regulatory Moderate	Corporate Services	Compliance	In-house	May 2025

This internal audit is performed annually arises as a result of a recommendation by the ICAC Commissioner. A random check on record-keeping by sampling a selection of staff from each portfolio will be performed. This audit will be developed and facilitated in conjunction with Information Management as per requirements in the Record Keeping Operating Guideline.

*This audit will assist in mitigating the Statutory and Regulatory risk as outcomes will ensure that CoA employees are adhering to the Records Management Operating Guideline and the State Records Act 1997. Statutory and Regulatory risk is currently rated as high inherent risk and moderate residual risk on Council's Strategic Risk Register.*

## Exclusion of the Public

**Program Contact:**

Kathryn Goldy, Acting  
Manager Governance

Public

**Approving Officer:**

Michael Sedgman, Acting  
Chief Executive Officer

## EXECUTIVE SUMMARY

Section 90(2) of the *Local Government Act 1999 (SA)* (the Act), states that a Council Committee may order that the public be excluded from attendance at a meeting if the Council Committee considers it to be necessary and appropriate to act in a meeting closed to the public to receive, discuss or consider in confidence any information or matter listed in section 90(3) of the Act.

It is the recommendation of the Chief Executive Officer that the public be excluded from this Audit and Risk Committee meeting for the consideration of information and matters contained in the Agenda.

**11.1 Strategic Property Review Internal Audit [sections 90(3) (b) & (d) of the Act]**

The Order to Exclude for Item 11.1

1. Identifies the information and matters (grounds) from section 90(3) of the Act utilised to request consideration in confidence.
2. Identifies the basis – how the information falls within the grounds identified and why it is necessary and appropriate to act in a meeting closed to the public.
3. In addition, identifies for the following grounds – section 90(3) (b), (d) or (j) of the Act - how information open to the public would be contrary to the public interest.

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## ORDER TO EXCLUDE FOR ITEM 11.1

### THAT THE AUDIT AND RISK COMMITTEE

1. Having taken into account the relevant consideration contained in section 90(3) (b) & (d) and section 90(2) & (7) of the *Local Government Act 1999 (SA)*, this meeting of the Audit and Risk Committee dated 14 June 2024 resolves that it is necessary and appropriate to act in a meeting closed to the public for the consideration of Item 11.1 [Strategic Property Review Internal Audit] listed on the Agenda.

Grounds and Basis

This Item is confidential as it contains information about the future direction with respect to Council's assets and strategic land holdings, including financial and commercial information relating to matters forming part of the Strategic Property Review

The disclosure of information in this report could reasonably prejudice the commercial position of the Council including its future commercial dealings given it contains financial and commercial information and future direction regarding Council assets

2. Pursuant to section 90(2) of the *Local Government Act 1999 (SA)* (the Act), this meeting of the Audit and Risk Committee dated 14 June 2024 orders that the public (with the exception of members of Corporation staff and any person permitted to remain) be excluded from this meeting to enable this meeting to receive, discuss or consider in confidence Item 11.1 [Strategic Property Review Internal Audit] listed in the Agenda, on the grounds that such item of business, contains information and matters of a kind referred to in section 90(3) (b) & (d) of the Act.



## DISCUSSION

1. Section 90(1) of the *Local Government Act 1999 (SA)* (the Act), directs that a meeting of a Council Committee must be conducted in a place open to the public.
2. Section 90(2) of the Act, states that a Council Committee may order that the public be excluded from attendance at a meeting if the Council Committee considers it to be necessary and appropriate to act in a meeting closed to the public to receive, discuss or consider in confidence any information or matter listed in section 90(3) of the Act.
3. Section 90(3) of the Act prescribes the information and matters that a Council may order that the public be excluded from.
4. Section 90(4) of the Act, advises that in considering whether an order should be made to exclude the public under section 90(2) of the Act, it is irrelevant that discussion of a matter in public may -
  - (a) *cause embarrassment to the council or council committee concerned, or to members or employees of the council; or*
  - (b) *cause a loss of confidence in the council or council committee; or*
  - (c) *involve discussion of a matter that is controversial within the council area; or*
  - (d) *make the council susceptible to adverse criticism.*
5. Section 90(7) of the Act requires that an order to exclude the public:
  - 5.1 Identify the information and matters (grounds) from section 90(3) of the Act utilised to request consideration in confidence.
  - 5.2 Identify the basis – how the information falls within the grounds identified and why it is necessary and appropriate to act in a meeting closed to the public.
  - 5.3 In addition identify for the following grounds – section 90(3) (b), (d) or (j) of the Act - how information open to the public would be contrary to the public interest.
6. Section 87(10) of the Act has been utilised to identify in the Agenda and on the Report for the meeting, that the following matters are submitted seeking consideration in confidence.
  - 6.1. Information contained in Item 11.1 – Strategic Property Review Internal Audit
    - 6.1.1 Is not subject to an Existing Confidentiality Order
    - 6.1.2 The grounds utilised to request consideration in confidence is section 90(3) (b) & (d) of the Act
      - (b) *information the disclosure of which –*
        - (i) *could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or prejudice the commercial position of the council; and*
        - (ii) *would, on balance, be contrary to the public interest.*
      - (d) *commercial information of a confidential nature (not being a trade secret) the disclosure of which –*
        - (i) *could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and*
        - (ii) *would, on balance, be contrary to the public interest.*

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## ATTACHMENTS

Nil

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- END OF REPORT -

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