

# Strategic Risk and Internal Audit Group

Presentation to Audit and Risk Committee

21 February 2025



# Strategic Risk and Internal Audit Group (SRIA)

Role

Scope of work

Membership and meetings

SRIA and the Audit and Risk Committee

Activity out of scope



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# Role

Key function under the Risk Management Operating Guideline providing:

- Strong executive oversight
- Reporting to Audit and Risk Committee

Responsible for:

- Overseeing practical application of Enterprise Risk Management
- Timely escalation of strategic risks and emerging issues to key decision makers
- Appropriate controls around strategic risks and emerging issues
- Returning mitigated matters to routine operations
- Driving continuous improvement of relevant risk processes
- Monitoring internal audit actions
- Oversight of the Emergency Management Steering Group.



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# Scope of Work

## What does SRIA deliver?

- Reviews the Risk Management Operating Guidelines
- Drives a positive risk management culture promoting risk escalation
- Guides and directs risk controls and risk mitigation strategies for strategic risks and emerging issues
- Monitors risks associated with new significant or high-risk activities
- Reviews strategic risks to Council's objectives through the Strategic Risk Register and Subsidiaries' risk registers
- Quarterly reporting to Audit and Risk Committee



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# Scope of Work cont....

## What does SRIA deliver?

- Leads development of the annual Internal Audit program for Audit and Risk Committee endorsement
- Internal Audit Program implementation oversight
- Oversees implementation of audit recommendations
- Annual review of the Group's Terms of Reference
- Annual review of its own performance and membership
- Review Council's risk appetite defined in the Risk Management Operating Guidelines.



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# Membership

## Membership comprises:

- Executive Team
- Associate Director, Governance and Strategy
- Associate Director, Strategic Property and Commercial,
- Associate Director, Infrastructure
- Associate Director Finance and Procurement
- General Manager, Adelaide Economic Development Agency
- General Manager, Adelaide Central Market Authority
- Team Leader, Corporate Governance & Legal
- Risk and Audit Analyst



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# Meetings

Monthly meetings, chaired by the Associate Director Governance and Strategy

## Agenda covers:

- Strategic risks and issues
- Significant or high-risk projects
- Operational risks which could become strategic risks (Watch List items)
- Key opportunities
- Internal audit matters
- Escalated emerging risks
- Subsidiary risk reporting

## Regular reports:

- Litigation update
- Freedom of Information update
- Legislation report
- Requests for review of decisions pursuant to section 270 of *the Local Government Act*



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# SRIA and the Audit and Risk Committee

SRIA's key relationship is with the Audit and Risk Committee (ARC)

- ARC is the main audience for SRIA reports and advice
- SRIA is the main channel for administration advice to ARC on risk matters
- SRIA provides quarterly activity updates to ARC



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# Activities out of scope

SRIA is not responsible for:

- Approval of the Risk Management Operating Guidelines (**ARC**)
- Management of operational or project risks (**Business units**)
- Administration of Council's insurance portfolio (**Strategy and Governance Program**)
- Policy reviews (**Strategy and Governance Program**)
- Section 48 (*Local Government Act 1999 (SA)*) risk assessments (**Finance and Procurement Program**)



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# Discussion

## ARC input is sought on:

- SRIA Terms of Reference – input to the review currently in progress.
- Preferences for regular SRIA reporting to ARC.