

# Internal Audit Progress Report

Friday, 22 May 2026  
Audit and Risk Committee

Strategic Alignment - Our Corporation

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Public

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## EXECUTIVE SUMMARY

This report provides an update on Council's Internal Audit Plan, outlining the findings and recommendations of internal audits completed, and the progress of any agreed actions. The Audit and Risk Committee (ARC) last received an Internal Audit Progress Report at its meeting on 6 February 2026.

Four actions have been completed since February 2026.

Currently, there are 26 open actions of which six are overdue.

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

This report details the Council's current Internal Audit Actions which includes information about:

- Internal Audit Actions that have been completed since the last Internal Audit Progress report to ARC in February 2026;
- Extensions granted by the Chief Executive Officer for the completion date of Internal Audit Actions;
- The number and status of Overdue Actions; and
- A summary of the status of all Internal Audit Actions.

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## RECOMMENDATION

### THAT THE AUDIT AND RISK COMMITTEE

1. Notes the progress of the Internal Audit Plan as contained in Item 6.3 on the Agenda for the meeting of the Audit and Risk Committee held on 22 May 2026.
  2. Notes the progress of the completion of Internal Audit Actions as contained in Item 6.3 on the Agenda for the meeting of the Audit and Risk Committee held on 22 May 2026.
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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 is a mechanism that enables Council to receive assurance that internal controls and risk management approaches are effective, that it is performing its functions legally, effectively and efficiently, and to advise how it can improve performance.
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	Delays in completing internal audit actions can expose an organisation to operational, financial, compliance, and reputational risks by allowing control weaknesses to persist. It can also undermine accountability, damage stakeholder confidence, and negatively impact organisational culture.
Opportunities	Internal audit focuses largely on compliance, risk management and improvement opportunities. As such audits suggest a range of improvement opportunities related to an area being reviewed, enhancing functions and services and aligning Council processes to best practice standards.
25/26 Budget Allocation	\$250,000 is budgeted for external consultancy support in accordance with the 2025-26 internal audit program.
Proposed 26/27 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
25/26 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 role of Internal Audit is to provide independent assurance that the Council's risk management, governance and internal controls processes are operating effectively.
2. The Audit and Risk Committee (ARC) receives all Internal Audit reports. It reviews and monitors Council's responsiveness to findings and recommendations of the Internal Auditor, other external providers and in house advice.

## Internal Audit Actions

3. All recommendations arising from the Internal Audit and Strategic Reviews are reported to the Strategic Risk and Internal Audit (SRIA) Group.
4. All recommendations and agreed actions, responsibilities and timeframes for implementation are recorded in the Council's process mapping and management software, Process Manager (Promapp).
5. The implementation status of recommendations is tracked and reported to SRIA and ARC.

## Completed Actions

6. Four internal audit recommendations from previous Audits have been completed since February 2026. These completed recommendations are outlined in the table below:

No.	Internal Audit ID	Audit Title
1	I00744	Voters Roll – Enrolment Hubs and List of Businesses
2	I00848	Emergency Management – Workplace Emergency Evacuation Plans, Induction Packs, Training for certain groups and refresher course for Council Commanders
3	I00974	Legislative Compliance – Traders Representative Committee Terms of Reference
4	I00981	Record Keeping – Save all relevant documents from Sharepoint sites in Content Manager

- 6.1. Twenty-six recommendations are currently in progress.

## Extensions

7. All requests for an extension of a due date for completion of an Internal Audit Action require the approval of the Chief Executive Officer. This process ensures that there is appropriate accountability before an extension is granted.
8. Since the last report to ARC in February 2026, one action has been approved for an extension. The action and the rationale for its extension are listed below in the table:

No.	Internal Audit Actions	Rationale for Extension	Original Due Date	Revised Due Date
1	I00743 Voters Roll – Promote enrolment to vote	The action will be completed to align with the Enrol phase of the upcoming campaign.	31 March 2026	30 June 2026

## Overdue Actions

9. The status of all currently overdue actions is provided in the table below:

Internal Audit ID	Audit Title	Status
I00679	Asset Inspection – update the Water Infrastructure Asset Management Plan	In progress, due for completion 30 June 2026
I00757	Review of the Adelaide Economic Development Agency – develop the AEDA Long Term Financial Plan	In progress, due for completion 30 November 2026

Internal Audit ID	Audit Title	Status
I00835	Post Audit Implementation Review – review and update the Adelaide Design Manual with a view to simplify and cost items within the manual	In progress, due for completion 30 June 2026
I00838	Post Audit Implementation Review – online training and awareness for all employees and leaders when completing and approving timesheets	In progress, due for completion 31 December 2026
I00841	Local Government Security Framework – update the Strategic Risk Register	In progress, due for completion 31 August 2026
I00973	Internal Legislative Compliance 2025 – finalise the AEDA Long-Term Financial Plan	In progress, due for completion 30 November 2026

### Status of Actions

10. A summary of the status of actions is shown in the below table, with the Agreed Action Progress Report accessed via [Link 1](#). This table includes the February totals reported to ARC, enabling members to compare progress across actions.

Risk Level	Status	February	May
<b>High</b>	Complete	2	1
Issues represent a control weakness which could have or is having major adverse effect on the ability to achieve project objectives.	Overdue	4	4
	In Progress	5	4
	<b>Total Open</b>	<b>9</b>	<b>8</b>
<b>Moderate</b>	Complete	6	1
Issues represent a control weakness which could have or is having a moderate effect on the ability to achieve project objectives	Overdue	1	1
	In Progress	8	7
	<b>Total Open</b>	<b>9</b>	<b>8</b>
<b>Low</b>	Complete	3	2
Issues represent a minor control weakness, with minimal but reportable impact on the ability to achieve project objectives.	Overdue	1	1
	In Progress	7	5
	<b>Total Open</b>	<b>8</b>	<b>6</b>
<b>N/A</b>	Complete	5	0
Improvement Opportunity	Overdue	0	0
	In Progress	4	4
	<b>Total Open</b>	<b>4</b>	<b>4</b>
<b>TOTAL (May)</b>			<b>26</b>

11 In summary, progress on the implementation of Internal Audit Actions since the last report to ARC in February 2026, is reflected in the following table.

Risk Level	Definition	Open Feb	Complete	Overdue	In Progress	Open May
<b>High</b>	Issues represent a control weakness which could have or is having major adverse effect on the ability to achieve project objectives	<b>9</b>	<b>1</b>	<b>4</b>	<b>4</b>	<b>8</b>
<b>Moderate</b>	Issues represent a control weakness which could have or is having a moderate effect on the ability to achieve project objectives	<b>9</b>	<b>1</b>	<b>1</b>	<b>7</b>	<b>8</b>
<b>Low</b>	Issues represent a minor control weakness, with minimal but reportable impact on the ability to achieve project objectives	<b>8</b>	<b>2</b>	<b>1</b>	<b>5</b>	<b>6</b>
<b>N/A</b>	Improvement Opportunity	<b>4</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>4</b>
<b>TOTAL</b>		<b>30</b>	<b>4</b>	<b>6</b>	<b>20</b>	<b>26</b>

## DATA AND SUPPORTING INFORMATION

**Link 1** – [Agreed Action Progress Report](#)

## ATTACHMENTS

Nil

- END OF REPORT -