

Recommendations of the Audit and Risk Committee - 22 May 2026

Tuesday, 9 June 2026
Council

Strategic Alignment - Our Corporation

Program Contact:
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Director Governance & Strategy

Public

Approving Officer:
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Operating Officer

EXECUTIVE SUMMARY

The Audit and Risk Committee's role is to report to Council and provide appropriate advice and recommendations on matters relevant to its Terms of Reference. The Committee acts to facilitate informed decision making in relation to the discharge of Council's legislative responsibilities and duties.

The Audit and Risk Committee is required to report to Council after every meeting.

This report presents the outcomes of the Audit and Risk Committee meeting of 22 May 2026 ([Link 1](#)).

The Audit and Risk Committee resolved to present recommendations and advice on the following matters to Council for Council determination:

- 2025/26 Business Plan & Budget Q3 update

RECOMMENDATION

1. **Recommendation 1** – Item 6.2 - 2025/26 Business Plan & Budget Q3 update

THAT COUNCIL

1. Receives the City of Adelaide 2025/26 Business Plan and Budget Quarter 3 Review as contained in Attachment A to Item 6.2 on the Agenda for the meeting of the Audit and Risk Committee held on 22 May 2026.
2. Approves adjustments for the 2025/26 Business Plan and Budget (BP&B) as identified in this report and contained in Attachment A to Item 6.2 on the Agenda for the meeting of the Audit and Risk Committee held on 22 May 2026.
3. Notes the year-to-date Operating (Financial Performance) for the quarter ending 31 March 2026, which includes:
 - 3.1. An operating surplus of \$20.684m (\$11.299m higher than the budget of \$9.385m, for the period)
 - 3.2. Total operating revenue of \$191.308m (\$2.865m higher than the budget of \$188.443m, for the period)
 - 3.3. Total operating expenses (including depreciation) of \$170.624m (\$8.434m lower than the budget of \$179.058m, for the period)
 - 3.4. Total Capital Expenditure of \$54.389m (\$3.196m higher than the budget of \$51.193m, for the period)
 - 3.5. Net cash surplus position of \$10.091m.
4. Approves budgeted year end Operating Position, which includes:
 - 4.1. An operating surplus of \$8.541m (consistent with the adopted budget of \$8.541m)
 - 4.2. Total operating revenue of \$255.864m (\$2.582m higher than the Q2 budget of \$253.282m)

4.3. Total operating expenses (including depreciation) of \$247.323m (\$2.582m higher than the Q2 budget of \$244.741m).

5. Approves total capital expenditure of \$112.274m for 2025/26 year (\$8.389m lower than the Q2 budget of \$120.663m).

6. Approves total borrowings of \$45.828m projected to 30 June 2026 (\$4.849m lower than the Q2 projected borrowings of \$50.677m to 30 June 2026).

7. Receives the Council Subsidiary Quarter 3 Reviews as contained as Attachments B, C, D and E to Item 6.2 on the Agenda for the meeting of the Audit and Risk Committee held on 22 May 2026.

DISCUSSION

1. The Audit and Risk Committee met on Friday, 22 May 2026 and considered the following items:
 - 1.1. Draft 2026/27 Business Plan & Budget
 - 1.2. 2025/26 Business Plan & Budget Q3 update
 - 1.3. Internal Audit Progress Report
 - 1.4. Internal Audit Scopes
2. The public component of the Agenda with reports for the meeting can be viewed at [Link 1](#).
3. Where the resolution of the Committee differs from the recommendation published in the Committee agenda, the Committee's recommendation to the Council is listed first, with the original recommendation provided in grey and italics.

Resolutions of the Committee

4. Item 6.1 – Draft 2026/27 Business Plan & Budget

THAT THE AUDIT AND RISK COMMITTEE

1. Notes the Draft 2026/27 Business Plan & Budget documents as contained in Attachments A, B, C and D to Item 6.1 on the Agenda for the meeting of the Audit and Risk Committee held on 22 May 2026.
2. Notes the Draft 2026/27 Business Plan & Budget is currently out for consultation, which concludes at 11:59PM Tuesday 26 May 2026.
3. Receives the Draft 2026/27 Business Plan & Budget documents as contained in Attachments A, B, C and D to Item 6.1 on the Agenda for the meeting of the Audit and Risk Committee held on 22 May 2026.

Original Recommendation as printed in the Audit and Risk Committee Agenda

THAT THE AUDIT AND RISK COMMITTEE

1. *Notes the Draft 2026/27 Business Plan & Budget documents as contained in Attachments A, B, C and D to Item 6.1 on the Agenda for the meeting of the Audit and Risk Committee held on 22 May 2026.*
2. *Notes the Draft 2026/27 Business Plan & Budget is currently out for consultation, which concludes at 11:59PM Tuesday 26 May 2026.*
3. *Receives the Draft 2026/27 Business Plan & Budget documents as contained in Attachments A, B, C and D to Item 6.1 on the Agenda for the meeting of the Audit and Risk Committee held on 22 May 2026 and provides the following advice:*

3.1. _____

5. Item 6.2 – 2025/26 Business Plan & Budget Q3 update

THAT THE AUDIT AND RISK COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL

1. Receives the City of Adelaide 2025/26 Business Plan and Budget Quarter 3 Review as contained in Attachment A to Item 6.2 on the Agenda for the meeting of the Audit and Risk Committee held on 22 May 2026.
2. Approves adjustments for the 2025/26 Business Plan and Budget (BP&B) as identified in this report and contained in Attachment A to Item 6.2 on the Agenda for the meeting of the Audit and Risk Committee held on 22 May 2026.
3. Notes the year-to-date Operating (Financial Performance) for the quarter ending 31 March 2026, which includes:
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 4. Approves budgeted year end Operating Position, which includes:
 - 4.1. An operating surplus of \$8.541m (consistent with the adopted budget of \$8.541m)
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 - 4.3. Total operating expenses (including depreciation) of \$247.323m (\$2.582m higher than the Q2 budget of \$244.741m).
 5. Approves total capital expenditure of \$112.274m for 2025/26 year (\$8.389m lower than the Q2 budget of \$120.663m).
 6. Approves total borrowings of \$45.828m projected to 30 June 2026 (\$4.849m lower than the Q2 projected borrowings of \$50.677m to 30 June 2026).
 7. Receives the Council Subsidiary Quarter 3 Reviews as contained as Attachments B, C, D and E to Item 6.2 on the Agenda for the meeting of the Audit and Risk Committee held on 22 May 2026.
6. Item 6.3 - Internal Audit Progress Report

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.

7. Item 6.4 - Internal Audit Scopes

THAT THE AUDIT AND RISK COMMITTEE

1. Notes the Project Management Framework Internal Audit scope as contained in Attachment A to Item 6.4 on the Agenda for the meeting of the Audit and Risk Committee held on 22 May 2026 and provides the following feedback:
 - 1.1. That finalisation of the strategic risk register review is due to be presented to the Audit and Risk Committee in Q1/Q2 of 2026/27; and
 - 1.2. That the Strategic Risk Register once endorsed will inform a review of the future internal audit program
2. Notes the Strategic Third Party Relationship Management Review scope as contained in Attachment B to Item 6.4 on the Agenda for the meeting of the Audit and Risk Committee held on 22 May 2026.

Original Recommendation as printed in the Audit and Risk Committee Agenda

THAT THE AUDIT AND RISK COMMITTEE

1. *Notes the Project Management Framework Internal Audit scope as contained in Attachment A to Item 6.4 on the Agenda for the meeting of the Audit and Risk Committee held on 22 May 2026 and provides the following feedback:*
 - 1.1. *Noting that finalisation of the strategic risk register review is due to be presented to the Audit and Risk Committee in Q1/Q2 of 2026/27; and*
 - 1.2. *That the Strategic Risk Register once endorsed will inform a review of the future internal audit program*
2. *Notes the Strategic Third Party Relationship Management Review scope as contained in Attachment B to Item 6.4 on the Agenda for the meeting of the Audit and Risk Committee held on 22 May 2026 and provides the following feedback:*
 - 2.1. _____
 - 2.2. _____

DATA AND SUPPORTING INFORMATION

Link 1 - [Agenda for Audit and Risk Committee on Friday, 22nd May, 2026, 9.00 am - City of Adelaide](#)

ATTACHMENTS

Nil

- END OF REPORT -