

Risk Management Operating Guideline

Wednesday, 12 April 2023

Audit and Risk Committee

Strategic Alignment - Enabling Priorities

Program Contact:

Alana Martin, Manager
Governance

Public

Approving Officer:

Steve Zaluski - Acting Chief
Operating Officer

EXECUTIVE SUMMARY

The purpose of this report is to provide the recently reviewed Risk Management Operating Guideline (the Guideline) to the Audit and Risk Committee for noting.

The City of Adelaide (CoA) Risk Management Operating Guideline is reviewed every two years, with the previous review occurring in April 2021.

Pursuant to its Terms of Reference, the Strategic Risk and Internal Audit (SRIA) Committee is responsible for the review and approval of the Guideline. SRIA has reviewed the Guideline and provided approval by circulation on 27 March 2023.

RECOMMENDATION

THAT THE AUDIT AND RISK COMMITTEE

1. Notes the CoA Risk Management Operating Guideline as Attachment A to Item 6.1 on the Agenda for the meeting of the Audit and Risk Committee meeting held on 12 April 2023
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IMPLICATIONS AND FINANCIALS

City of Adelaide 2020-2024 Strategic Plan	Strategic Alignment – Enabling Priorities 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	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	Sound risk and opportunity management enables well informed decision making and supports the delivery of the Strategic Plan
Opportunities	Sound risk and opportunity management enables well informed decision making and supports the delivery of the Strategic Plan
22/23 Budget Allocation	Not as a result of this report
Proposed 23/24 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
22/23 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. Pursuant to clause 4.1 of the Audit and Risk Committee’s Terms of Reference, the Audit and Risk Committee shall review the effectiveness of the Council’s internal controls and risk management systems.
2. City of Adelaide’s (CoA) Risk Management Operating Guideline (the Guideline) sets the foundation for people who create and protect value in Council by managing risks, making decisions, setting and achieving objectives and improving performance.
3. The guideline is reviewed every two years, with a recent review undertaken and approved by Council’s Strategic Risk & Internal Audit (SRIA) Committee on 27 March 2023.
4. The majority of changes within the document are to streamline the flow of information and update certain terms.
5. For ease of reading, the revised guideline appears with track changes shown from the previous version, presented in [Link 1](#).
6. The complete guideline appears as **Attachment A**. Material changes made are as follows:

Section	Title	Changes made
	Operation	Consolidation of the introduction to managing risks
Part 1	Enterprise Risk Management and Risk Appetite	Additional information and consolidation of risk appetite Risk appetite will be reviewed by Council in conjunction with the development of the Strategic Plan
Part 3	Risk Management Framework	Removal of sections that are not applicable to CoA and consolidation of risk management framework Include information regarding different avenues of training material and sessions such as proactive risk management sessions
Part 4	Risk Management Process	Include all employees, volunteers and contractors in the risk management process and removal of sections that are not applicable to CoA and consolidation of risk management process. Moved within the document for better flow
Part 4	Effectiveness of Risk Controls	Moved within the document for better flow.
Part 4	The Waterline Principle	Consolidation of the risk management tool that CoA use when managing risks
Part 4	Internal Controls	Consolidation of internal controls that CoA adhere to as per section 125 of the <i>Local Government Act 1999 (SA)</i>
Part 4	Training	Removal of this section as it has been included under Risk Management Framework

7. It is also noted that Council will be undertaking a review of Risk Management at the City of Adelaide, which is intended to be reported to Audit and Risk Committee in November 2023.

DATA AND SUPPORTING INFORMATION

Link 1 – Risk Management Operating Guideline – showing changes from previous version

ATTACHMENTS

Attachment A – Risk Management Operating Guideline

- END OF REPORT -