

Legislative Compliance Review Internal Audit

Friday, 17 October 2025

Audit and Risk Committee

Strategic Alignment - Our Corporation

Program Contact:

Rebecca Hayes, Associate
Director Governance & Strategy

Public

Approving Officer:

Anthony Spartalis, Chief
Operating Officer

EXECUTIVE SUMMARY

The purpose of this report is to provide the Audit and Risk Committee with the Legislative Compliance Review Internal Audit report. The 2024-25 Internal Audit Plan (the Plan) for the City of Adelaide (CoA) was developed in consideration of Council's key strategic risks and critical priorities, including an internal audit related to CoA's legislative compliance.

Of the 209 provisions considered as part of this audit, only five were identified as requiring further action with all five rated as "exceptions noted" and considered low risk findings.

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 on Council's legislative compliance with them.

This audit best aligns with the identified Strategic Risk *Statutory and Regulatory Risk: Non-compliance with statutory and regulatory requirements poses legal, financial and reputational risks to the organisation.*

This year, the audit focused on the:

- *Local Government (General) Regulations 2013*
- *Local Government (Financial Management) Regulations 2011*
- Adelaide Economic Development Agency Charter
- Adelaide Central Market Authority Charter.

This report requests that the Audit and Risk Committee note the report and endorse the management responses.

RECOMMENDATION

THAT THE AUDIT AND RISK COMMITTEE

1. Notes the Legislative Compliance Review Internal Audit report as contained in Attachment A to Item 4.4 on the Agenda for the meeting of the Audit and Risk Committee held on 17 October 2025.
2. Endorses the responses of the Administration to the Legislative Compliance Review Internal Audit report as contained in Attachment A to Item 4.4 on the Agenda for the meeting of the Audit and Risk Committee held on 17 October 2025.

IMPLICATIONS AND FINANCIALS

City of Adelaide 2024-2028 Strategic Plan	Strategic Alignment – Our Corporation Outcome – Effective Leadership and Governance 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	The internal audit report was presented to the Strategic Risk and Internal Audit Group at the June 2025 meeting.
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 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 are aligning Council processes to best practice standards.
25/26 Budget Allocation	Not as a result of this report
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 Legislative Compliance Review Internal Audit was performed by the City of Adelaide's (CoA) Risk and Audit Analyst, in accordance with the 2024-25 Internal Audit Plan. The report, along with administrative comments can be found in **Attachment A**.
2. The Legislative Compliance Review for 2025 focused on the ongoing assessment of CoA's legislative compliance work plan.

Report

3. This audit related to the identified Strategic Risk *Statutory and Regulatory Risk: Non-compliance with statutory and regulatory requirements poses legal, financial and reputational risks to the organisation*.
4. The review focused on two Regulations and two Charters:
 - 4.1. *Local Government (General) Regulations 2013*
 - 4.2. *Local Government (Financial) Regulations 2011*
 - 4.3. Adelaide Economic Development Agency Charter
 - 4.4. Adelaide Central Market Authority Charter
5. Relevant key stakeholders were consulted, and each section of the Regulations and Charters was reviewed via a desktop analysis.
6. The internal audit reviewed 209 legislative provisions, with 204 confirmed as compliant. The result demonstrates a high level of compliance across the organisation, with only four low-risk exceptions identified-

Act	Total Reviewed	Compliant	Exceptions Noted with Low Risk
<i>Local Government (General) Regulations 2013</i>	15	14	1
<i>Local Government (Financial) Regulations 2011</i>	20	20	0
Adelaide Economic Development Agency Charter	88	86	2
Adelaide Central Market Authority Charter	86	84	2

7. During the review, five sections of the Regulations and Charters were identified as 'exceptions noted', all of which are rated as low risk. These are considered opportunities for improvement and can be readily implemented.

<i>Local Government (General) Regulations 2013</i>			
Section of Regulation	Requirement of the Regulation	Testing Methodology	Findings
Regulation 23	A register of community land under 207(2) of the <i>Local Government Act 1999</i> must contain, in respect of each piece of community land in the area, the specified information.	Ensure the register is maintained and contains the information specified in section 207(2) of the <i>Local Government Act 1999</i> and the Regulation.	The community land register is maintained in two portfolios under the CoA: • City Infrastructure for properties that hold a commercial interest • City Shaping for properties that are

			within the Park Lands The Community Land register for properties with a commercial interest requires review.
Adelaide Economic Development Agency Charter			
Section of the Charter	Requirement of the Charter	Testing Methodology	Findings
6.3.2	Within 14 days of the end of each quarter the Agency must submit to the Council's CEO a quarterly report on progress against the strategic milestones and key performance indicators as outlined in the Strategic Plan and the Annual Business Plan and Budget.	Ensure that a quarterly report is presented to Council's CEO on how the Agency is performing against its Business Plan and Budget KPI's within 14 days of end of each quarter.	The Agency prepares the quarterly report within 14 days after the end of each quarter and submits it to the Strategy, Insights and Performance team for inclusion in the CoA's quarterly report to Council. This report is presented to the CEO for review by the 4 th Monday of the month.
6.1.1.2	The Agency must prepare the following strategic management plans: 6.1.1.2 a Long Term Financial Plan for a period of at least 10 years.	AEDA must have a 10 year Long Term Financial Plan.	The Long-Term Financial Plan has been developed based on several scenarios, all subject to the approved budget by the Council for 2025/26.
Adelaide Central Market Authority Charter			
Section of the Charter	Requirement of the Charter	Testing Methodology	Findings
3.5.5	Without limiting the powers of the Board with respect to the formation of committees the Board must establish a committee to be known as the Traders Representation Committee as follows: Consist of max 9 members (2 Board Members, 5 traders, one of who will be the Chair, up to 2 other trader members as appointed by the Board).	ACMA will establish a Committee for enquiring and reporting to the Authority on matters within its functions and powers.	The Traders Representative Committee 2023-2024 Terms of Reference was established and approved by the Adelaide Central Market Authority Board on 26 October 2023. The Terms of Reference, is due for review.
3.5.7	The meetings and proceedings of any committee or advisory committee are governed by the provisions in this Charter for regulating meetings and proceedings of the Board so far as those provisions are applicable and not affected by any resolution, regulations or policies made by the Board under clauses 3.5.2 and 3.5.3.	Any committee established by the Board must meet the provisions set in the Charter.	

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

ATTACHMENTS

Attachment A – Legislative Compliance Review Internal Audit

- END OF REPORT -