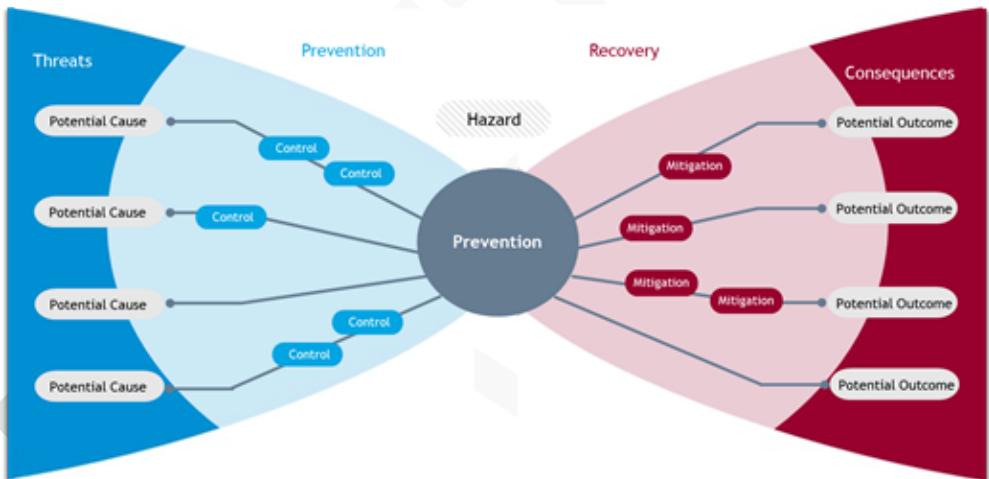


PROJECT BRIEF

Project Title:	City of Adelaide - Strategic Risk Assessment and Alignment
Project Contact:	Rebecca Hayes, Associate Director, Governance & Strategy
Project Objective:	<p>The objective of this project is to review, evaluate, and assess the strategic risks impacting the City of Adelaide's (CoA) operations and long-term objectives to ensure alignment with organisational goals.</p> <p>The project will adopt the 'bow tie' risk assessment tool to map the relationship between causes, controls, and consequences for key risk events, documenting both prevention and mitigation controls. The resulting 'bow tie' (refer diagram below) will assist in supporting informed decision-making, enhances internal audit governance and monitoring, and promotes sustainable risk management.</p>
Scope & Approach:	 <p>This project will review the CoA's strategic risk register and assess the adequacy of current risk definitions, causes, and controls through bow tie risk analysis. The risk assessment will evaluate whether strategic risks are clearly linked to organisational objectives, appropriately rated, and aligned with the internal audit program. It will also consider the effectiveness of governance and monitoring arrangements supporting strategic risk management and identify opportunities to strengthen integration between strategic risks, corporate planning, and assurance activities. In addition, the audit will review existing internal audits to assess their continued relevance and alignment with the updated strategic risk register, ensuring the internal audit plan remains risk-based and reflective of current strategic priorities.</p> <p>This project will be undertaken in consultation with the Governance & Strategy team and nominated strategic risk owners.</p>

PROJECT BRIEF

Our approach includes the following phases:

Phase 0: Project Kick Off and Planning

Project Kick Off and Planning will focus on establishing the foundation for an effective engagement, including consultation, confirmation of timelines and deliverables, identification of any issues and scope exclusions, outlining our information requests and commencing access to relevant documentation.

An initial kick off meeting will confirm roles and responsibilities, introduce CoA representatives and the BDO team and confirm contact details of nominated engagement personnel.

Phase 1: Documentation Review and Engagement

- Review current risk documentation including risk management framework/policies, strategic risk register, organisational objectives and internal audit plan
- Circulate outcomes of documentation review to CoA representatives
- Discussion with CoA representatives on documentation review outcomes, and identify risk owners for bow tie workshops
- Develop a survey to identify risk causes, controls and mitigations and distribute to risk owners
- Based on survey responses and risk documentation reviewed, prepare a draft bow tie analysis for each strategic risk.

Phase 2: Risk Workshops

This phase will incorporate the following 2 stages:

2a - Pre Workshop Engagement and Preparation

- Conduct risk workshop preparation in collaboration with the Governance and Strategy team to:
 - Determine risk workshop participants (i.e. risk owners and other relevant stakeholders, such as control owners)
 - Prepare bow tie risk workshop agenda
 - Provide draft bow tie risk analyses to each risk owner.

2b Risk workshop facilitation

- Facilitate a bow tie risk workshop with each risk owner and other relevant stakeholders (~90 minutes each) to consider the following:
 - Confirm risk event / scope of the risk
 - Capture/confirm risk causes
 - Capture/confirm risk consequences
 - Document inherent risk worst case plausible scenario
 - For each cause line - identify and capture applicable preventative controls with ownership etc (ideally one at least per cause)
 - Identify any 'control gaps' against cause lines and document clear treatment actions against these (with ownership etc)
 - Identify the consequences of the risk event (e.g. financial, reputational, etc)

PROJECT BRIEF

Project Title:	City of Adelaide - Strategic Risk Assessment and Alignment
	<ul style="list-style-type: none"> – Identify any mitigating/corrective controls - controls that either reduce the severity of the consequence or correct the issue – Identify any gaps in mitigating controls and document clear treatment actions against these (with ownership etc) – Assess current/residual risk rating based on worst case plausible scenario – Identify target risk rating.
	<p>Phase 3: Reporting</p> <ul style="list-style-type: none"> – Prepare a draft strategic risk summary, including: <ul style="list-style-type: none"> ○ Updated risk register and bow tie analysis for each strategic risk ○ Recommendations from risk management documentation review. – Distribute updated draft bow tie analyses to risk owners for feedback and confirmation – Hold a close out workshop with Governance and Strategy team and risk owners to confirm risk register, bow tie analysis and documentation review recommendations – Finalise strategic risk summary and bow tie risk analyses.
Timeframe:	Project delivery by end March 2025.
Project Resources:	<p>The estimated total cost to complete this project is \$30,000 - \$35,000 (GST exclusive).</p> <p>Out of pocket costs (including travel and accommodation, if required) will be billed at cost, kept to a minimum and agreed with you prior to them being incurred.</p>
Prepared by:	BDO
Agreed by:	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>Peter Horsman - Partner BDO / /2025</p> </div> <div style="width: 45%;"> <p>Rebecca Hayes - Associate Director, Governance & Strategy / /2025</p> </div> </div>