

**From:** "Mochrie, Paul" <Paul.Mochrie@vancouver.ca>  
**To:** "Direct to Mayor and Council - DL"  
**Date:** 5/24/2023 4:20:59 PM  
**Subject:** Upcoming media statement: OAG report on permitting cost recovery model (May 25, 2023)

---

Dear Mayor and Council,

I am writing to inform you that the City will be issuing the following statement in response to the Auditor General's report regarding permitting cost recovery.

The statement will be issued tomorrow at approximately 9:40 am, following the release of the audit report and an accompanying statement by the Auditor General. We understand the Auditor General plans to publish his report at 9:30 am.

Best,  
Paul

**Paul Mochrie** (he/him)  
City Manager  
City of Vancouver  
[paul.mochrie@vancouver.ca](mailto:paul.mochrie@vancouver.ca)



The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the xʷməθkʷəy̓əm (Musqueam), Skwxwú7mesh (Squamish), and səliłwətał (Tsleil-Waututh) Nations.

**City of Vancouver**  
**Statement**  
**February 22, 2023**

### **City's response to the Auditor General report on permitting cost recovery**

Today, the City of Vancouver's Auditor General, Mike Macdonell, released a performance **audit report on permitting cost recovery** [link to be included]. In response, Patrice Impey, the City's Chief Financial Officer and General Manager of Finance, Risk and Supply Chain Management, released the following statement:

*"I would like to express my gratitude to the Auditor General's office for their high level of professionalism and patience throughout the audit process. The audit process was executed with inclusiveness, transparency, and was well received by all the impacted staff teams. This process provided us with valuable external insights into the administration of the cost recovery program and helped us identify inconsistencies and opportunities for improvements.*

*The permitting processes at the City of Vancouver are undergoing significant change to improve customer response times, streamlining processes and addressing complexities of the process. The Permit Improvement Project (PIP) will also enable a more complete understanding of the data to inform improved revenue and processing cost analysis.*

*The City has historically managed cost recovery within the permit program by balancing the fees received in each year with program costs. This approach was in accordance with financial reporting standards, and consistent with other municipalities. This approach was validated by an*

*independent consulting firm, Hemson & Associates. In 2020, the City began to make improvements to the cost recovery approach to consider work in process when assessing program recovery, which has become increasingly important as permit applications become more complex, and as work processes changed rapidly in response to COVID-19.*

*The recommendations contained in the report provide valuable input into the ongoing work to improve the cost recovery model for the permitting program. The team acknowledges the value of this audit process, and we support the eight recommendations outlined in the report regarding changes and modifications to the program's administration.”*

## **About the Office of the Auditor General**

The Office of the Auditor General was established by Vancouver City Council on November 4, 2020, with the mandate of assisting Council in holding itself and City administrators accountable for the quality of stewardship over public funds, and for achievement of value for money in City operations. The performance audit report on building permit fees is the first to be released and can be found on the [Auditor General's webpage on vancouver.ca](#).

-30-

### **Media contact:**

Civic Engagement and Communications  
[media@vancouver.ca](mailto:media@vancouver.ca)