



Office of the Auditor General City of Vancouver

2024 Audit Plan

January 2024

30 January 2024

In accordance with section 3.9 of the Auditor General By-law, I submit my 2024 Audit Plan to City Council.

I am required to present only an annual plan, however, to better inform Council and to facilitate dialogue and engagement, this document outlines my plan for the next three years.

This audit program reflects my interest in the long-term success and sustainability of the City of Vancouver - success and sustainability of its finances, services, infrastructure and the environment in which it operates. I took a number of factors into account when preparing this plan including risks facing the City, the significance of programs, concerns expressed by elected officials, City managers and members of the public, information gathered during the course of audits, potential return on investment, and my office's capacity. While I have sought input, consistent with the independent nature of this office, ultimately the choice of audits remains entirely mine.

This plan is subject to change. New priorities may emerge, and it is my intent that the office has the ability to pivot in response. Also, at the direction of Council, this year my office has begun implementing an independent whistleblower program and will hire two additional staff. The volume of work for this program is uncertain, and team members are not yet in place. Consequently, the full impact on my resources is not yet known.

I release this plan in conjunction with my 2023 Annual Report and 2024 Operational Plan, which outlines my office's performance in relation to my 2023 Audit Plan and the performance indicators and targets included in it.

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Audit Plan at a Glance

Audits Commenced in 2023 and Concluded in 2024

- Vancouver Police Department's (VPD) Performance Management
- Non-Profit Lease Agreements

2024

- Cybersecurity
- Capital Asset Management
- Risk Management
- Follow-up on Previous Recommendations – June 2024
- Follow-up on Previous Recommendations – December 2024

2025

- Violence and Harassment in the Workplace
- Infrastructure Planning
- Community Grants
- Follow-up on Previous Recommendations – June 2025
- Follow-up on Previous Recommendations – December 2025

2026

- Vancouver Police Department (TBD)
- Climate Change Adaptation
- Emergency Management and Business Continuity
- Software Licensing
- Follow-up on Previous Recommendations – June 2026
- Follow-up on Previous Recommendations – December 2026

Audits Currently Underway

The audits below were begun in 2023 and will be completed in 2024.

- **Non-Profit Lease Agreements**

The City supports communities by providing non-profit organizations with nominal leases to City-owned or leased land, buildings and spaces. This audit will examine whether the Arts, Culture and Community Services department has effectively managed its childcare, cultural and social non-profit leases to deliver intended public benefits in support of its strategic priorities.

Expected release – late Q2 2024

- **Vancouver Police Department's (VPD) Performance Management**

The budget for the Vancouver Police Department represents over 20% of the City's total budget. This makes it particularly important that the police services demonstrate fiscal accountability and transparency. Through a motion passed by the Vancouver Police Board on November 24th, 2022, the Auditor General was asked to conduct a performance audit in accordance with section 3.3 of the Auditor General By-law. The OAG's first audit report of the VPD, on Enterprise Risk Management, was released in December 2023. This audit examines the framework and performance measures used to demonstrate the quality, efficiency, effectiveness and economy of the VPD.

Expected release – June 2024

Description of Proposed Audits

The topics identified below represent a high-level expression of interest. Each audit will begin with gathering preliminary information, which will be used to refine and focus the audit scope. Audits will proceed only if our preliminary inquiry suggests that further examination will be of benefit to the City, and that the Office of the Auditor General has sufficient and appropriate staff and contractor resources available to conduct the work in accordance with Canadian Audit Standards.

In some cases, topics have been developed in collaboration with the audited department. The Auditor General has actively sought, and will continue to solicit, audit projects identified by City departments themselves as having potential benefit.

The years identified represent when audits will commence. Depending on the nature of the subject matter and the findings we encounter, audits may be conducted in phases and may span more than one year.

2024

- **Cybersecurity**

Cybersecurity is often likened to an arms race between organizations constantly seeking to defend against unwanted digital intrusions and hackers continuously seeking ways around these defences. This audit will examine the City's cybersecurity posture and ability to manage risks in an ever-evolving threat landscape.

- **Capital Asset Management**

Like many local governments, the City's capital infrastructure is aging. A large proportion of Vancouver's infrastructure was constructed around the same time in the mid-to-late 20th century, meaning it will reach the end of its useful life at the same time this century. The City's 2023-2026 Capital Plan proposes \$3.5 billion of capital investment for existing and new assets spanning 13 program investment areas, with \$391 million identified for community facilities and \$211 million for parks and public open spaces. This audit will examine the City's approach to long-term management of its parks and recreation infrastructure assets such as recreation centres and other community amenities.

- **Risk Management**

Overseen by a senior level Risk Management Committee, the City of Vancouver actively manages a wide spectrum of risks. This audit will examine the effectiveness of the City's risk management process.

- **Follow-up on Previous Recommendations - June 2024**

Following-up on previous audit recommendations is essential for ensuring our audit work adds value. Follow-up on previous recommendations endorsed by Council is the responsibility of Council's Auditor General Committee. As agreed with Council, the OAG will provide a follow-up every six months until recommendations have been fully implemented or alternate actions taken.

- **Follow-up on Previous Recommendations - December 2024**

As above.

2025

- **Violence and Harassment in the Workplace**

Violence and harassment in the workplace is an unfortunate reality that can have significant impact on the physical and psychological health and safety of workers. WorkSafeBC reported that time-loss claims related to violence in the workplace in British Columbia increased by 25% between 2018 and 2022. This audit will examine the measures taken by the City to prevent violence and harassment in the workplace.

- **Infrastructure Planning**

Metro Vancouver projects that Vancouver's population will increase by 24% from 692,310 in 2020 to 856,830 by 2050. City infrastructure such as sewer and water operations, street maintenance, and zero waste and recovery operations will need to meet the needs of growing communities. This audit will examine the infrastructure planning needed to support the future growth of Vancouver.

- **Community Grants**

The City of Vancouver supports a wide variety of social and not-for-profit enterprises with a combination of direct monetary contributions and with in-kind support. This audit will examine the process supporting the approval and monitoring of grants.

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- **Follow-up on Previous Recommendations – December 2025**

As above.

2026

- **Vancouver Police Department (VPD)**

During the first audit of the VPD on Risk and Performance Management (commenced in 2023), the OAG identified several potential audit topics of the Department. The specific audit topic for 2026 will be determined at a future date, in consultation with the Vancouver Police Board (the Board). Under the Auditor General By-law, the OAG will need to be invited by the Board to conduct this audit.

- **Climate Change Adaptation**

As a coastal City, Vancouver is on the front lines in dealing with the effects of climate change. This audit will examine the City's efforts to prepare and adapt to expected environmental changes.

- **Emergency Management and Business Continuity**

Effective emergency management is crucial to ensuring the safety and well-being of communities in responding to events such as natural disasters or human-induced emergencies. Under the Emergency Response By-law No. 5654, the City operates an emergency management division that serves both the City as an organization as well as the residents of Vancouver. Major incidents have the potential to cause disruptions to the City's operations and its ability to deliver services. This audit will examine the City's ability to mitigate, prepare for, respond to and recover from emergencies and disasters. Business continuity, the ability of the City to maintain or restore critical services during a disruptive incident, is a closely related topic. The effectiveness of the City's business continuity planning will either be in scope or conducted as a separate examination.

- **Software Licensing**

The City uses 400+ software applications to support operations and delivery of City services. Active management of software is needed to ensure that software is up-to-date and available. This audit will examine the City's practices in managing software licensing.

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