



Office of the Auditor General City of Vancouver

2026 Audit Plan

January 2026

30 January 2026

In accordance with section 3.9 of the City of Vancouver's *Auditor General By-law*, I submit my 2026 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 high-level plans for the next three years.

This audit program reflects my interest in the long-term success and sustainability of the City of Vancouver's finances, services, infrastructure and the environment. I considered several factors when preparing this plan, including risks facing the City, the significance of its programs, concerns expressed by elected officials, City managers and members of the public, information gathered during audits, the potential return on investment from an audit, and my office's capacity. Additionally, reports of potential serious wrongdoing provided to me through the City's Whistleblower function have highlighted issues that are being explored as potential audit topics. One whistleblowing report has become the subject of a performance audit report that will be released in early 2026.

While I have sought broad input, consistent with the independent nature of this office, ultimately the choice of audits remains entirely mine.

This plan represents my best understanding of the path forward as of today. This path will change as circumstances arise and new priorities emerge. For example, I require invitations from the Board of Parks and Recreation, the Police Board and the Library Board in order to perform work in their respective areas. This plan identifies projects where such invitations have been extended as well as those where invitations are pending. I do not have an automatic right of access to these bodies and, absent an invitation, audit work will not proceed.

I release this plan in conjunction with my 2025 Annual Report and 2026 Operational Plan, which outlines my office's performance against my 2025 Audit Plan and the performance indicators and targets included in it.

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Audit Plan at a Glance

Audits to be Concluded in 2026

- Land Sales and Exchanges
- Community Grants
- Vancouver's Urban Forest

2026

- Vancouver Public Library (Topic TBD)
- Borrowing and Debt Management
- Pacific National Exhibition (PNE)
- Vancouver Police Department (Topic TBD)
- Follow-up on Previous Recommendations – June 2026
- Follow-up on Previous Recommendations – December 2026

2027

- Community Amenity Contributions (CACs)
- Capital Project Management
- Cybersecurity 3
- Property Rentals and Leases
- Follow-up on Previous Recommendations – June 2027
- Follow-up on Previous Recommendations – December 2027

2028

- Risk Management
- Climate Change Adaptation
- Software Licensing
- Emergency Management and Business Continuity
- Follow-up on Previous Recommendations – June 2028
- Follow-up on Previous Recommendations – December 2028

Audits Currently Underway

The audits below are underway and will be completed in 2026.

- **Land Sales and Exchanges**

The City's land sales and exchanges tend to have material impacts and generate high public interest. When a parcel of City-owned land is sold or exchanged, it is unlikely to ever return to City ownership. The permanent nature of these transactions makes it imperative for the City to extract good value as there is only one opportunity to "get it right." This audit will examine whether the City maximized value for its land sales and exchanges.

Expected release – Q1 2026

- **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. Grants are provided to deliver programs and services that align with Council strategic and policy priorities. This audit will examine the design and administration of the City's community grants programs.

Expected release – Q2 2026

- **Vancouver's Urban Forest**

The City of Vancouver maintains over 160,000 street trees, thousands of park trees, and 713 hectares of forest. Urban trees play vital environmental and social roles, from cleaning the air, to providing habitat, to protecting the City from storms, extreme heat, and the impacts of climate change. The amount of ground covered by leaves and branches, as seen from above (the urban tree canopy), is one measure of the overall livability of a City. Caring for the urban forest includes planting, watering, pruning, and tree removal. This audit will examine the City's management of its trees.

Expected release – Q4 2026

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 City department. The Auditor General has actively sought, and will continue to solicit, audit projects identified by departments themselves as having potential benefit.

Audit topics have been listed according to the year they 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.

2026

- **Vancouver Public Library**

The Vancouver Public Library (VPL) has been dedicated to meeting the lifelong learning, reading and information needs of Vancouver residents for more than 100 years. VPL's 21 locations receive approximately 6.5 million visits annually, providing 9.5 million physical and digital items including books, ebooks, movies, music and magazines. VPL is governed by a Board of Trustees (the Board) appointed by City Council. Examining violence and harassment in the workplace is a possible focus, but the specific topic for 2026 will be determined at a future date, in consultation with the Board. Under section 3.3(a) of the Auditor General By-law, the OAG will need to be invited by the Board to conduct this audit. The OAG has been informed that such an invitation will likely be extended by the Board in March 2026.

- **Borrowing and Debt Management**

Municipalities commonly use debt as a capital financing tool for large infrastructure projects such as renewing bridges, sidewalks, and community, public safety and civic buildings. Unique among B.C. municipalities, the City of Vancouver borrows directly in its own name rather than through the Municipal Finance Authority of British Columbia, maintaining full autonomy over debenture timing, terms, and sinking fund management. As of December 31, 2024, the City's net debt liability stands at \$632.2 million, with \$274 million remaining as unissued borrowing authority. Effective debt management ensures

that financing needs are met at the lowest possible cost and risk, without impairing the City's financial position. This audit will examine the City's debt management processes.

- **Pacific National Exhibition (PNE)**

The Pacific National Exhibition (PNE) is a non-profit and statutory organization owned by the City of Vancouver. It is governed by a City Council appointed Board of Directors. The PNE was founded in 1910, and hosts events year-round, including concerts, the summer and winter fairs and playland. In 2023-24 the PNE achieved total revenues of \$71.45 million and a negative net income of \$4.37 million. It is currently building a new Amphitheatre projected to be completed in 2026. An audit of the PNE would be our first of a City-controlled corporation; the focus of the audit will be determined in 2026 and may include procurement.

- **Vancouver Police Department (VPD)**

Under section 3.3(a) of the Auditor General By-law, the OAG needs to be invited by the Vancouver Police Board (the Board) to conduct audits. OAG's first audit of the VPD on Risk and Performance Management was completed in 2024. At the request of the Board the OAG presented a program of additional audit topics for consideration, and has been in discussions with the department on potential topics for the next audit. The specific topic for 2026 will be determined at a future date, subject to invitation by the Board.

- **Follow-up on Previous Recommendations – June 2026**

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 report on audit recommendations every six months until the recommendations have been fully implemented or appropriate alternate actions taken.

- **Follow-up on Previous Recommendations – December 2026**

As above.

2027

- **Community Amenity Contributions (CACs)**

Community Amenity Contributions (CACs) are in-kind or cash contributions provided by applicants when Council grants additional development rights through rezoning. In 2024, the City reported collecting \$17 million cash-in-lieu contributions and oversaw the completion of two public benefit projects funded by a combination of CACs and Density Bonus Zoning Contributions (DBZs), (cash and in-kind). CACs are managed by a

number of City departments, including Real Estate & Facilities Management; Planning, Urban Design and Sustainability; and Engineering. This audit will examine the governance, negotiation, collection, and monitoring of CACs, and CAC process risks identified by OAG during previous work.

- **Capital Project Management**

The City of Vancouver undertakes capital projects to construct, refurbish and maintain assets to meet the needs of the community. This audit will examine the City's capital project practices to determine whether planning and delivery has been effectively managed to meet the City's objectives. Examples of capital projects the City has undertaken include Oakridge Community Centre, the Freedom Mobile Arch (the PNE Amphitheatre renewal), neighbourhood houses, street and bridge upgrades, and water, sewer and utilities projects.

- **Cybersecurity 3**

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 will be our third in a series of examinations of various aspects of the City's cybersecurity posture and ability to manage risks in an ever-evolving threat landscape.

- **Property Rentals and Leases**

The City manages a portfolio of properties that are rented or leased to third parties, generating approximately \$56.6 million in revenue. Depending on the property type and tenant, leases are administered by different City departments. This audit will examine the City's oversight and administration of lease arrangements.

- **Follow-up on Previous Recommendations – June 2027**

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- **Follow-up on Previous Recommendations – December 2027**

As above.

2028

- **Risk Management**

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

- **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.

- **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.

- **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.

- **Follow-up on Previous Recommendations – June 2028**

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- **Follow-up on Previous Recommendations – December 2028**

As above.